
INFRASTRUCTURE


INDUSTRY

Annual Report **2022**

VINCI Energies Netherlands B.V.


ICT

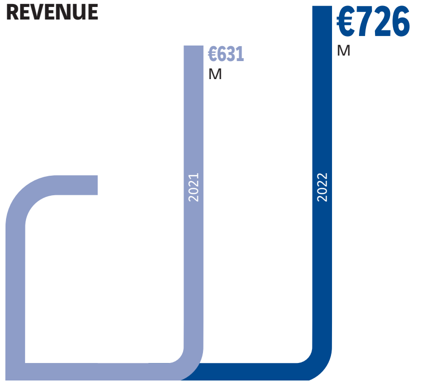

BUILDING SOLUTIONS

VINCI ENERGIES

CONTENTS

1 KEY DATA VINCI ENERGIES NETHERLANDS

REVENUE



REVENUE BY BUSINESS LINE

5% Infrastructure

36% Industry

19% Building Solutions

40% ICT

>3400 employees

>65 business units

2 countries

INDUSTRY
INDUSTRIAL PROCESSES
Consultancy / Plant & Process Design / Industrial Automation / Logistic Automation / Industrial Installation / Industrial Systems / Maintenance / Mechanical and Robotics
36%

INFRASTRUCTURE
ENERGY TRANSITION
Technical equipment and management systems / Renewable energies and storage Electric mobility / Projects and maintenance on high, medium and low voltage
5%

ICT SOLUTIONS & SERVICES
INFORMATION & COMMUNICATION
Business Analytics / Business Applications / Cloud Services / Collaborative Solutions / Converged Infrastructure & Datacenters / Core Network / Enterprise Network / Mobility Solutions/ Security / Internet of Things
40%

BUILDING SOLUTIONS
BUILDINGS, PEOPLE & ENVIRONMENT
Electrical systems / Heating, Ventilation, Air Conditioning / Building Protection, / SMART building / Maintenance
19%

2 INTERVIEW

WITH THE MANAGING DIRECTORS OF VINCI ENERGIES NETHERLANDS

How do you look back on 2022 for VINCI Energies?

Jos van Uden: "2022, a turbulent period because of the Covid crisis and war in Ukraine, was a good year for VINCI Energies Netherlands. The Covid crisis accelerated the digital transformation, and the energy scarcity did the same for the energy transition, a transition that was accelerating already."

Rob van Kaathoven: "Across the board, we saw clients making use of our expertise for the digital transformation and energy transition. There was an increase in demand from grid managers in infrastructure, for example. Demand from industry also went up, because of the increasing need for secure IT/OT solutions for example, or the need for some businesses to relocate production sites back to Europe."

How would you qualify the general performance of VINCI Energies?

Jos van Uden: "It was good. That is reflected in our result and our turnover, despite inflation and currency fluctuations. In 2022, we achieved organic growth and we grew with seven strategic acquisitions that matched the expertise of our business lines."

7
acquisitions in 2022

Jos van Uden en Rob van Kaathoven
Managing directors
VINCI Energies Netherlands

What are the strong points VINCI Energies is relying on in this changing world?

Rob van Kaathoven: "There are still massive challenges: the lack of skilled people, materials and resources. In 2022, in a turbulent world, our decentralised model proved to be robust. With our people, network organisation, and management philosophy, we were able to act quickly and respond to all types of developments and changing needs."

Jos van Uden: "Even though there were bigger challenges - due to more complex projects that require integrated solutions and multidisciplinary teams - we managed to cope well. With more cooperation between the business units, for example. The revamped VINCI-Energies-Academy.nl - our platform for learning together, cooperating and building networks - also made a successful contribution."

What about the environmental ambitions of VINCI Energies?

Jos van Uden: "We have a sustainability policy and emission targets for the entire organisation. They are tested independently. Last year, the awareness of our own CO_2 emissions increased in our own business units. All the business units have an environment plan with their own targets, and they took measures to reduce the emissions. They monitor the progress in this area with an audit system."

Rob van Kaathoven: "We want to reduce our own emissions. With our projects in the area of the energy transition and the digital transformation, we work together with our clients and partners to reduce emissions for scope 1, 2 and 3. For ICT projects we have the GreenPlusCalculator to chart the CO_2 footprint of hardware. We are developing those types of calculators for all our business lines."

Does diversity and inclusion remain a focal point?

Jos van Uden: "A diverse and inclusive organisation provides better balance and operates better in society. Balanced teams have broader perspectives on approaching and solving issues. It also makes us more attractive to future employees. We have business units that provide a workplace to people who have difficulty accessing the labour market. In other words, we want our organisation to be a fair and honest reflection of society and to provide a safe and social work environment where everybody can be themselves."

Rob van Kaathoven: "We realise that we work in, for, and throughout the world. In 2014, we set up the VINCI Foundation NL to promote inclusion by means of several projects. In 2022, the foundation focused on projects related to the consequences of the war in Ukraine. Additional budget was made available for these projects. Many employees are extremely driven and committed, with their own projects too."

What is the challenge for VINCI Energies in 2023?

Rob van Kaathoven: "We have a good-looking order book and good teams. The challenge continues to be in binding and fascinating new people. We also encourage ourselves to remain a flexible organisation with a clear focus, so that we can respond quickly to developments around us."

Jos van Uden: "There will always be developments that can take you by surprise. We saw that in 2022. We will continue to be transparent about those in our communications with our clients. They know what is going on in the world. From where they are standing, there' is lack of service too. That will demand more early involvement from our side."

BOARD OF MANAGEMENT 2022

Left to right:
- Jos van Uden, Managing Director Infrastructure, Building Solutions and Industry
- Eus de Haas, General Counsel and Corporate Development
- Rob van Kaathoven, Managing Director ICT
- Maurice Roijen, Chief Financial Officer

3 GENERAL

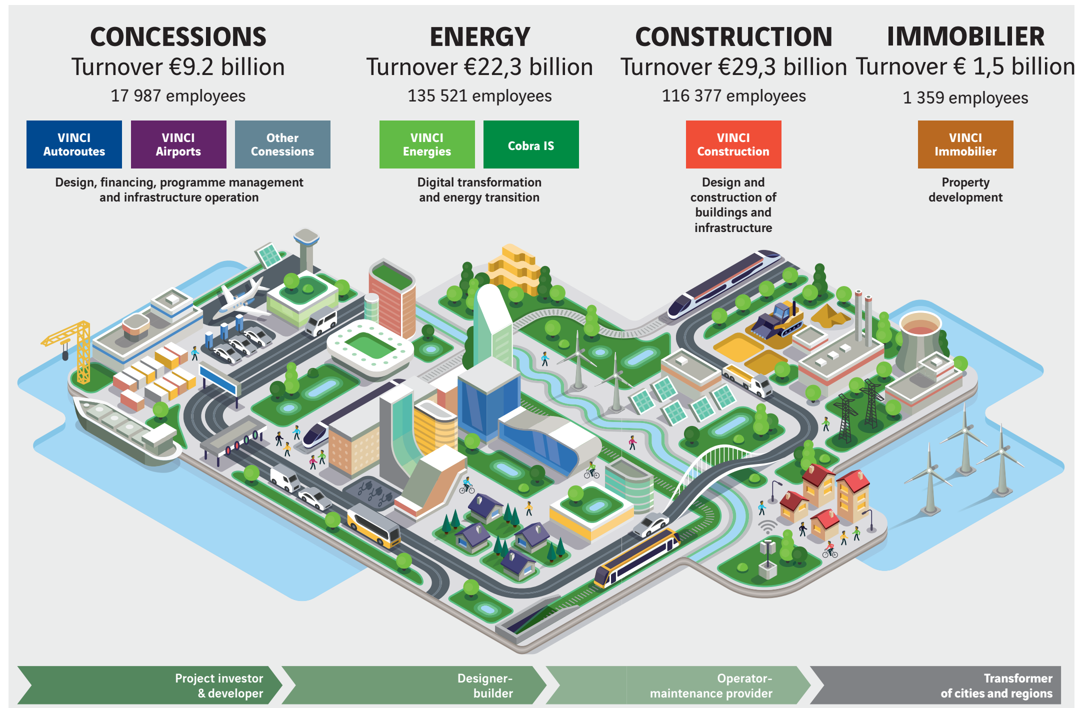
VINCI Energies Netherlands B.V. belongs to VINCI Energies S.A. ('VINCI Energies'), a division of the VINCI S.A. Group ('VINCI' or 'Group'). We provide in this chapter general information of VINCI, VINCI Energies and VINCI Energies Netherlands.

3.1 VINCI

VINCI is a world leader in concessions, energy and construction, active in some 120 countries. Their ambition, in response to the climate emergency, is to accelerate the transformation of living environments, infrastructure and mobility. They also aim to foster social progress by being a humanist group that exemplifies inclusion and solidarity. Powered by their economic performance and the engagement of their 260,000 employees, they forge a more sustainable world. They achieve that by fully embracing their role as a private sector partner working in the public interest and strongly emphasising listening and dialogue with our stakeholders in all our business lines.

Because VINCI's projects are in the public interest, they consider that reaching out to all stakeholders and engaging in dialogue with them is essential in the conduct of the business activities in France and around the world.
The environment, community life and mobility are the main challenges facing today's world. VINCI aims to meet these challenges by being a force for good through our constructions and our work ethic, both day to day and over the long term. It's called all-round performance.

VINCI S.A. is listed at the French CAC-40 Stock Exchange. In 2022 VINCI had a revenue of € 61.675 billion.



Source: VINCI Financial statements 2022 and website VINCI.com

VINCI's business model has developed historically from the complementary nature of its concessions, energy and construction activities. The Group's resilience also stems from its highly decentralised organisation and supportive management culture, which give its companies and people tremendous agility. Drawing on these solid fundamentals, VINCI will continue to implement its long-term strategy and to take a balanced approach in developing its three core businesses.
In this context of climate emergency, the environment is VINCI's strategic priority. The Group is tackling this issue by playing an active role in the ecological transition of the built environment, infrastructure and mobility.
The ecological transition is therefore a powerful lever for the renewal of its expertise and solutions and a long-term driver of growth for its business activities.

The acceleration of innovation is part of this transformation, with the emergence of novel solutions and services that create environmental value. In addition to the multi-business initiatives driving innovation at Group level, which include Leonard, lab recherche environment and La Fabrique de la Cité, each business line houses a platform to infuse innovation in its sphere of activity.

CONCESSIONS
VINCI's strategy for its Concessions business is focused on transport infrastructure. Like its concession contracts, this strategy is long term. It aims to diversify, renew and internationalise the Group's mix of concessions and extend the average maturity of its portfolio. VINCI's fast growth in motorway and airport concessions since the 2000s, both in France and internationally, results from the steady execution of this strategy. To achieve these goals, the Group harnesses its integrated expertise – as an investor and developer of projects, a designer and builder of infrastructure, and an infrastructure operator and maintenance provider – and combines this know-how with its partnership culture and experience collaborating with the local authorities and stakeholders in its ecosystems.
VINCI will maintain this strategy and extend it to renewable energy infrastructure concessions, especially solar and wind projects. This is one reason for the acquisition of Cobra IS at the end of 2021. It reinforces the Group's ability to grow in these markets driven by the low-carbon energy transition. The acquisition includes nine greenfield concession projects under development or construction, mainly consisting of electrical transmission networks, and a renewable energy project development platform. Surging mobility demands and the investments needed to adapt infrastructure to climate change goals will also boost transport infrastructure concessions. In all these sectors, new project development will benefit from synergy with VINCI Construction and VINCI Energies, building on their areas of expertise and established presence in the targeted regions.

ENERGY
VINCI has placed a strategic focus on its energy activities since the early 2000s. As a result, VINCI Energies has experienced vigorous organic and external growth and tripled its revenue in 12 years. Its expertise in energy and information technologies has proven to be ideally aligned with the ecological transition and the digital transformation – two long-term trends that are currently shaping its products and services and feeding its future expansion. The acquisition of ACS's energy business, finalised at the end of 2021, is set to provide fresh impetus to VINCI's development in this sector. The integration of Cobra IS will be a powerful driver of growth. Its business and geographical footprint are a complementary fit with VINCI Energies: it possesses acknowledged expertise in delivering large EPC (Engineering, Procurement and Construction) projects in the energy sector and is well established in the Iberian Peninsula and Latin America.

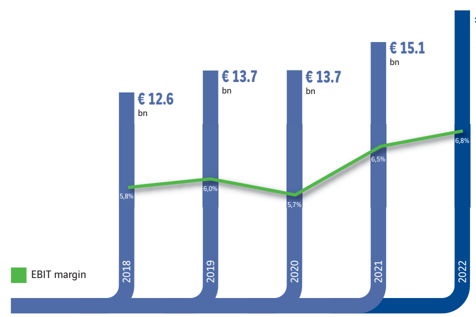
CONSTRUCTION
The 2021 creation of a new VINCI Construction division encompassing Eurovia's business activities has bolstered the Group's positions in the construction sector, in which it is a world leader. By merging all of the know-how involved in the construction of buildings, civil engineering structures and linear infrastructure into a single division, VINCI can effectively respond to the increasing complexity of these types of projects. The new organisation will promote internal synergy and innovation to deliver efficient solutions for transforming mobility and the built environment, accelerating the ecological transition. VINCI Construction will continue to develop its three pillars – Major Projects, Specialty Networks and Proximity Networks –, using this combined global and local approach to achieve optimal market coverage and extend the international reach of the Group's activities. Targeted acquisitions may eventually round out the Construction division's presence and expertise.

The remainder of this report will focus on VINCI Energies, the part of VINCI that VINCI Energies Netherlands B.V. is in.

3.2 VINCI Energies
VINCI Energies builds on its decentralised organisational structure with local roots through its 1,800 business units, each of which specialises in a specific business segment in order to provide bespoke services to its customers. Together, they form a network with multiple areas of expertise that they harness in line with each project's requirements. VINCI Energies takes a partnership-based approach at the local level, which is a key part of its ability to create value.
Thanks to its extensive international footprint, diverse operational methods and the responsiveness of its agile organisation, VINCI Energies possesses many advantages that enable it to adapt to changing situations. Its resilience also comes from its position in structurally relevant sectors, such as building solutions, ICT, infrastructure and industry, which are central to key challenges such as the digital transformation and the energy transition.

To promote its services and expertise, VINCI Energies has created four international brands focusing on four different business lines: Omexom for infrastructure, Actemium for industry, Axians for ICT and VINCI Facilities, along with local brands, for building solutions. These brands act and collaborate to develop innovations and environmental services.

REVENUE AND EBIT MARGIN OVER THE PAST 5 YEARS



6,8% = % of VINCI Energies revenue 2022[1]

REVENUE BY BUSINESS LINE

29% Infrastructure

25% Industry

29% Building Solutions

17% ICT

90.000 employees

1900 business units

57 countries

VINCI Energies is fast-tracking the rollout of new technologies to support two major shifts – digital transformation and the energy transition – in a world undergoing constant change. With their strong regional roots, agile organisational structure and innovative drive, VINCI Energies' 1,900 business units in 57 countries are making energy, transport and communication Infrastructure, factories, buildings, and information systems more reliable, safer, more efficient and greener day after day.

Revenue at VINCI Energies totalled €16.7 billion, up 11% on an actual basis or 8% like-for-like compared with 2021. Revenue growth accelerated in the fourth quarter of 2022 (up 14% on an actual basis and up 11% like-for-like compared with the fourth quarter of 2021) both in France and abroad. This firm momentum reflects VINCI Energies' strong position in some particularly buoyant markets – energy and digital transitions– as a result of its wide range of expertise and dense network of companies. The latter continued to expand in 2022, the recent acquisitions9 boosted revenue growth by around €260 million.

- In France (44% of the total), revenue was €7.4 billion, up 10% on an actual basis and up 9% like-for-like.
- Outside France (56% of the total), revenue came to €9.4 billion, up 12% on an actual basis and up 7% like-for-like. Revenue rose in almost all countries in which VINCI Energies operates.[2]

[1] *Source: VINCI press release February 9th, 2023*
[2] *Source: VINCI press release February 9th, 2023*

3.3 VINCI Energies Netherlands

VINCI Energies Netherlands B.V. has brought together a group of market segment specialists and human scaled business units that operate locally and internationally. Their field of activity and solutions includes interdisciplinary plant engineering, industrial automation, ICT solutions, a variety of building-linked electrical installation works and fire solutions. Parent of VINCI Energies Netherlands B.V. is VINCI Energies SA, VINCI SA is the ultimate parent.

Contributing to improvements

VINCI Energies specialists in the Netherlands provide contributions that improve everyday life in many areas. Improvements for industry, cities, buildings and networks. We do so through our 65 business units throughout The Netherlands and one business unit in Belgium. We serve the market with a wide range of services within the four business lines: Infrastructure, Industry, Building Solutions and ICT. Within these business lines, we labelled specializations and expertise under the international brands Omexom, Actemium and Axians.

Some of our business units have such specific expertise in certain market segments that they operate under their own local brand name like A&I Kwant Civiel, Amecha, Aqualectra, Bostec, Bosman Bedrijven, Cegelec Fire Solutions, De Jong Engineering, Koning & Hartman, Schilt Bedrijven, VanderLinden, VerAutomation and Verkerk.
The business units, regardless of the brand they belong to, always provide advice, design, optimization, innovation, and maintenance of processes. Our only objective thereby is to increase the effectiveness of the processes of our clients, by continuously optimizing the effectiveness of our own organisation and responding to current and future client needs and wishes in a flexible manner. With a focus in the field of digital transformation and energy transition.

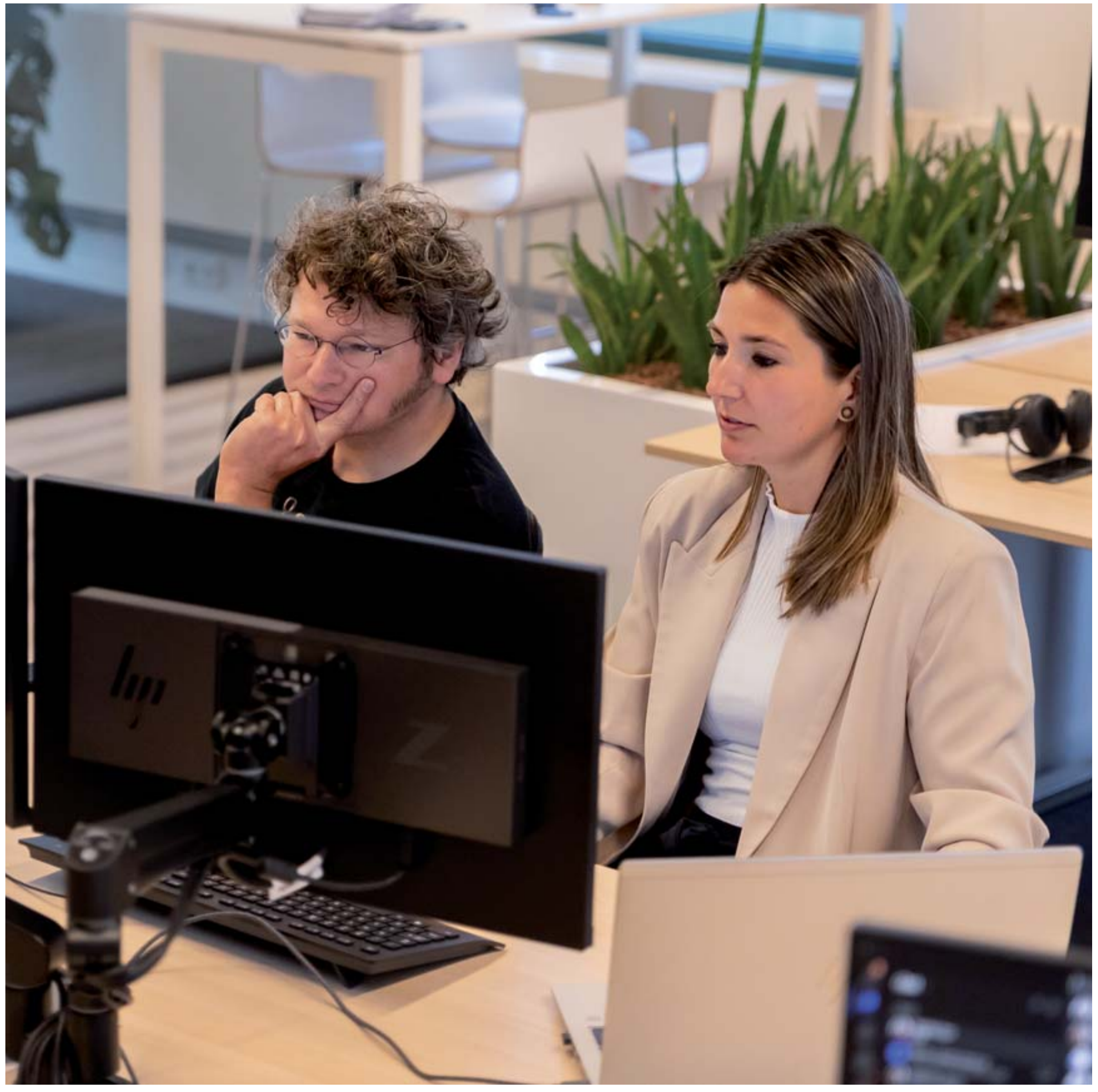
Our passion: to create value for our clients and for society. We realise that we work in, for and by society. We account for this in our corporate values and by integrating CSR into our corporate governance.

4 BUSINESS DEVELOPMENTS BY ACTIVITY

VINCI Energies, a network organization of business units active in: Infrastructure, Industry, ICT and Building Solutions.

Also, in the Netherlands VINCI Energies organisational structure builds on decentralised business units with local roots and is focussed on entrepreneurship, networking across its full range of expertise, and working with its clients day-to-day to create value.

Our 65 business units serve the market under the international brands – Omexom, Actemium and Axians – and several local brands.



4.1 Infrastructure

Delivering on the promise of the energy transition
VINCI Energies helps electricity producers, transmission and distribution grid managers, organisations, and local and regional authorities fulfill the promise of the energy transition. Our goals, going forward, are to foster access to electricity, ensure supply and develop sustainable energy.

VINCI Energies business units notably offer innovative solutions for energy from renewable sources, electricity storage, CO_2-free mobility and managing the energy and transport infrastructure. They provide solutions in the areas of high, medium, and low voltage for grid managers, light rail and tram companies and industry.

Interview
with Joop Wervers,
Brand Director Omexom in the Netherlands

"The energy transition is accelerating."

Which trends and challenges are impacting the market from a business, technological or social point of view?
"The energy crisis and climate change are accelerating the energy transition. It means the number of infrastructure projects continues to increase too. The industry electrifies more, including its processes. Omexom and Actemium developed a proposition for this together. We also see many developments around green hydrogen. Electricity and infrastructure are essential for producing and using hydrogen.

The scarcity in the labour market continues. That's why we train skilled people in our Omexom Institute, and we continue to invest in our employees. We want to retain them and to do more with the same number of people. To achieve that we will digitise our processes even further. That minimises failure, which means we can do more work."

What do the Omexom business units do to reduce their impact on the environment?
"We already do a lot in this area. We separate all our waste, and where possible we electrified our fleet. We will do more to strengthen our environmental awareness and to become even more sustainable. We will use more circular materials, green cables and recycled steel, for example.
Our environmental targets have been translated into KPIs. We want to be circular by 2030."

Which project are you proud of?
"For one, the e-boiler in a Vattenfall power station in Diemen. Omexom will engineer and build the electrical systems for that. Vattenfall will be able to use the e-boiler - the largest in Europe - to provide heat to 20,000 households per year."

What type of result do you expect for the coming year?
"With the various trends, we have more work for 2023 than ever before. We expect this development to continue."

INFRASTRUCTURE

ACQUISITION TECHNIP-EPG DEN BOSCH, SPECIALIST IN HIGH-VOLTAGE ENGINEERING

VINCI Energies acquired the engineering activities of Technip-EPG in Den Bosch. This strengthens its high-voltage engineering expertise in Omexom. Technip-EPG Den Bosch has been offering engineering, consultancy, and inspection services to national and regional grid managers since 1980. This acquisition is in line with the VINCI Energies strategy to expand its infrastructure portfolio with high-voltage engineering. The service provision will continue under the brand name Omexom. This represents VINCI Energies' first Omexom site in the south of the Netherlands.

ACQUISITION AQUALECTRA STRENGTHENS PANEL BUILDING PORTFOLIO

With the acquisition of Aqualectra in Heerhugowaard VINCI Energies strengthens its portfolio in panel building and low and medium voltage in its business lines Industry, Building Solutions, and Infrastructure. With 125 employees, Aqualectra provides services and total solutions for energy distribution, control technology, building automation and industrial automation. The purchasers of its services and solutions come from extremely diverse sectors: from industry to wet and dry infra.

ALWAYS THERE FOR OUR CLIENTS

ENERGY SUPPLY FOR NET-ZERO-EMISSION BUSES IN ROTTERDAM COMPLETE

RET, the public-transport company for the Rotterdam metropolitan region, aims to have a completely net-zero-emission fleet of buses by 2030. It aims to continue to provide clean transport, even with growing transport needs. It selected the expertise of Omexom around traction-energy provision. Omexom assisted RET with the engineering, construction, testing and commissioning of the energy provision for the net-zero-emission buses. The facility comprises four compact stations and three purchasing stations. They power the charging stations for the net-zero-emission buses.

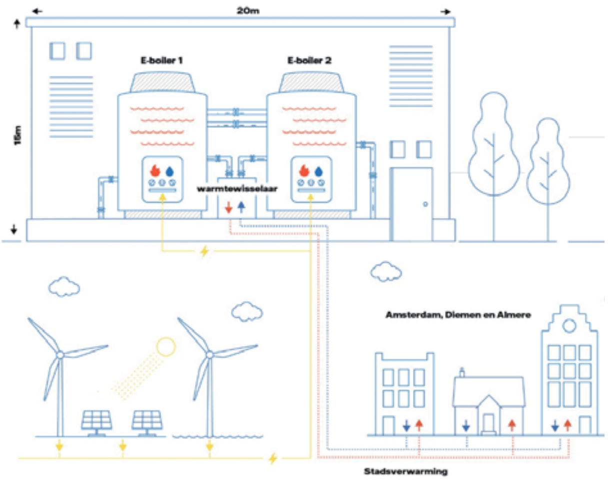
OUDEHASKE HIGH-VOLTAGE SUBSTAION IS READY FOR THE FUTURE

For TenneT, Omexom replaced the larger part of the components and the corresponding controls of the 220kV section of high-voltage substation Oudehaske. The supply security of the high-voltage grid had to remain reliable. Therefore, the components at the end of their technical lifespan were replaced. Over more than a year, the seven 'old' fields of the substation were tackled in phases. Oudehaske is now ready for a future where even more sustainable energy will be transported.

MOST PROGRESSIVE **FUEL STATION IN EUROPE** CONNECTED TO A SOLAR PARK

Omexom inspected, tested and commissioned the transformer for Green Planet Mobility, the most progressive fuel station in Europe. Now solar-powered energy can be used to charge the batteries of cars. The electricity that is not used is stored in extremely large batteries, which provide sufficient energy at the times the sun does not shine. It means that Green Planet turns a fuel station into an integrated energy station that unburdens the overloaded grid.

INFRASTRUCTURE



LARGEST E-BOILER OF EUROPE WILL HEAT 20,000 HOUSEHOLDS

Vattenfall selected Omexom for the engineering and construction of the electrical systems for a new electrical boiler at the Diemen power plant. The e-boiler 'runs' when there is a lot of green energy from wind and solar available. Then it converts 99.9% of the electricity it consumes into sustainable heat. In the future, Vattenfall will be able to use the e-boiler - a type of mega thermos flask - to provide heat to 20,000 households per year.

OMEXOM INSTITUTE TRAINS PROFESSIONALS FOR THE ENERGY TRANSITION

There is an enormous demand for properly trained professionals for the energy transition. Therefore, Omexom set up the Omexom Institute at the end of 2019. This training institute for high voltage developed training and courses to provide professionals with the knowledge and expertise that is required to work in the energy sector. Including the High-voltage technology course that was developed with Deltion College in Zwolle. In this blended learning programme theory and practice are closely matched. More than 70 students have completed the programme already and received a recognised intermediate vocational education certificate.

SERVICE PROVIDER FOR ZEELAND REFINERY

Zeeland Refinery is an oil refinery in Nieuwdorp. In an advanced process, the refinery turns crude oil into fuels and other important raw materials. As of January 2022, Omexom is the service provider for Zeeland Refinery when it comes to high-voltage activities. Omexom supports with the preventive maintenance of the high-voltage systems. Omexom is also available in case of faults, and it can carry out repairs.

ENERGY DISTRIBUTION FOR RENOVATED AND REINFORCED AFSLUITDIJK

Sea levels are rising, which made it essential to reinforce and renovate the Afsluitdijk. This project started in 2018 and will be completed in 2025. Levvel, which designed, built and financed the reinforcements, will maintain the dyke for 26 years. As part of this project, Aqualectra designed and built the energy distribution. For this project it supplies the main distributors, subdistributors, transformers and UPS systems.

4.2 Industry

Helping to continuously improve industrial performance
VINCI Energies works together with its industrial clients to make their industrial plant and equipment more productive and to ensure their processes run more efficiently.

The business units provide solutions and services in many market segments. They design, roll out and maintain customised, integrated solutions and services for manufacturing plants and provide sustainable multitechnical services throughout the entire industrial lifecycle, including electrical engineering, energy efficiency, robotics, predictive maintenance, traceability, platforms for site management and cybersecurity.

Interview

with Peter de Wit,
Brand Director Actemium in the Netherlands

The industry is challenged in terms of resilience and adaptability.

Which trends and challenges are impacting the market from a business, technological or social point of view?
"The industry is challenged by rising energy costs, raw-materials shortages, disruptions in the supply chain, a lack of skilled people, and the need to become more sustainable. These developments and inflation produce uncertainty in society. Increasing numbers of consumers demand that brands become greener and more accountable."

How does the industry prepare to reduce its impact on the environment?
"New technologies will help to achieve sustainability targets.
The challenge is to master the new knowledge and to implement new solutions in a dynamic environment. The current situation in the energy market drives the efforts to become sustainable more quickly and to replace fossil fuels."

How do you help clients with their challenges?
"By supporting them with formulating and substantiating their business case. By coming up with alternatives by applying value and green engineering. Together with clients we consider how we can reduce the emission together. We also help them to use robotics and cobots solutions to deal with the scarcity in the labour market."

Why did you set up the new Actemium Schijndel business unit?
"The panel building business unit in Veghel was growing rapidly. The business unit in Schijndel was set up to maintain the human dimension. It also made it possible to expand new and existing services, such as configure-to-order engineering, prototyping cabinets and machine assembly. It can continue to grow together with new clients."

What do you expect for the coming year?
"Our order book is filled nicely. The industry continues to invest to secure its competitive position and to achieve its aims."

Which project are you proud of?
"A project in North America that we implemented from the Netherlands. It had just started when coronavirus appeared. It was delivered on budget, on schedule, to spec and to the client's complete satisfaction - despite unprecedented challenges."

VINCI ENERGIES ADDS DE JONG ENGINEERING TO ITS INDUSTRIAL PORTFOLIO

With the acquisition of de Jong engineering - specialist in robotics and cobotics - VINCI Energies strengthens its industrial portfolio for the food industry. De Jong engineering focuses on the engineering, installation, and maintenance of complete electrical systems, with a focus on end-of-line packaging and robotics/cobotics expertise. It is specialised in the food and beverage sector, where it deals with everything concerning transport and handling.

ACQUISITION RCO MECHATRONICS: SPECIALIST IN CLIENT-SPECIFIC ROBOT & COBOT APPLICATIONS

VINCI Energies acquired RCO Mechatronics in Tilburg. Its knowledge and expertise complement and add to our industrial multidisciplinary system integration portfolio. It is specialised in the design, development, and production of standardised and customised robot & cobot applications. It has expertise in material handling and robotised palletising in the FMCG market. It also has its own line of standardised SRP cobot/robot palletising systems and machines.

ACQUISITION VERAUTOMATION STRENGTHENS INDUSTRIAL AUTOMATION PORTFOLIO

With the acquisition of VerAutomation in Middelbeers and Andelst, VINCI Energies strengthens its industrial automation portfolio with Underwriter Laboratories knowledge and expertise in the Industry business line.
With 85 employees, VerAutomation provides services and solutions in industrial automation, panel building and system technology with a focus on the OEM market segment. Its expertise comprises software and hardware engineering, panel building, the installation and maintenance of industrial automation solutions and complete electrical systems.

DOUBLE R PARTS OPTIMISES CROSS-DOCKING AND ORDER CONSOLIDATION WITH INTEGRATED SOLUTION

From Gorinchem, Double R Parts supplies motors, quads, jet skis, outboard motors and parts to businesses and professionals in the motor industry. This happens from a large warehouse with a logistics solution that produces far-reaching automation of the unique order-processing system. Actemium considered the logistics logic and came up with a broad-based total solution that provides calm and overview.

FRIESLANDCAMPINA SELECTS ACTEMIUM FOR MILK-RECEPTION

In the FrieslandCampina dairy factory in Workum, the new CIP system and the milk reception had to be automated. Actemium was responsible for the electrical system and its engineering. The three Actemium business units in Doetinchem brought a range of expertise together for this project: hardware and software engineering, panel building and assembly, building-specific systems, site monitoring and vehicle-registration-plate records, project management, NEN3140 testing, and thermography.

DRYING SYSTEM FOR ORGANIC NUTRITION GROUP

Organic Nutrition Group is building an energy plant in Ysselstein to produce heat for a drying system for mushroom compost. Every year, the system will be producing 50,000 tonnes of compost granules from 120,000 tonnes of mushroom compost. The energy plant is fired with biomass and pruning wood. The entire production process is CO_2 neutral. Actemium provides the electronic and functional engineering, software development for PLC and SCADA systems, panel building, delivery of the electronic system and will commission the operating systems for the drying system.

E&I FOR WELLMAN RECYCLING: MORE THAN 10 YEARS OF COOPERATION BASED ON TRUST

As one of the largest PET bottle recyclers in Europe, Wellman Recycling is keen on streamlining everything in the area of Electrical & Instrumentation. That's the reason why Wellman Recycling has worked with Actemium for more than ten years. Actemium supports it with solutions and services for the technical part of the factory and for the electricity provision in the office. This relationship is built on trust.

INDUSTRY

ACTEMIUM AND SHELL: CONTRACT FOR E&I COMPONENT OF BIOFUELS PLANT

Biofuels will play a role in reducing the CO_2 emissions of the transport sector. Therefore, Shell Pernis is investing in a factory for sustainable aviation fuel and renewable diesel from waste. As the main E&I contractor, Actemium deals with all the electrical engineering and instrumentation for the plant, including the tank storage. Besides the construction work on site, Actemium provides a maximum contribution in optimising the detail designs and prefabrication of the systems in terms of construction safety, constructability and effectiveness.

ONSHORE POWER SUPPLY FOR DFDS TERMINAL IN VLAARDINGEN

Excellent cooperation within the international Actemium network resulted in an Onshore Power Supply project for the DFDS terminal for ferries in Vlaardingen. An Onshore Power Supply (OPS) can deal with the electricity needs of vessels at the quay without using fossil fuels. It is the first Actemium OPS project in the Netherlands. Actemium Sweden has many years of expertise in OPS projects. Through the Actemium network that expertise can now be used in the Netherlands too.

Interview

with Eric Cissen,
Director at VINCI Energies

These acquisitions strengthen our position as innovative service provider.

Why is VINCI Energies looking for more focus on robotics, cobotics and mechatronics for industry?
"In a range of sectors - from logistics to food & beverage - we see an increased need for robotics, cobotics and mechatronics. The knowledge and expertise of the acquired companies complement our existing industrial multidisciplinary system integration portfolio. Together we will be even better at providing our clients with innovative solutions.

These acquisitions boost our own innovation even further and strengthen our position as innovative service provider. It also makes us more attractive to new technical talent in the labour market. Furthermore, with the acquisitions we can provide our new and existing employees with more development opportunities. In these acquisitions we selected compact businesses that are similar to us in terms of company culture and that can be integrated into our network relatively easily."

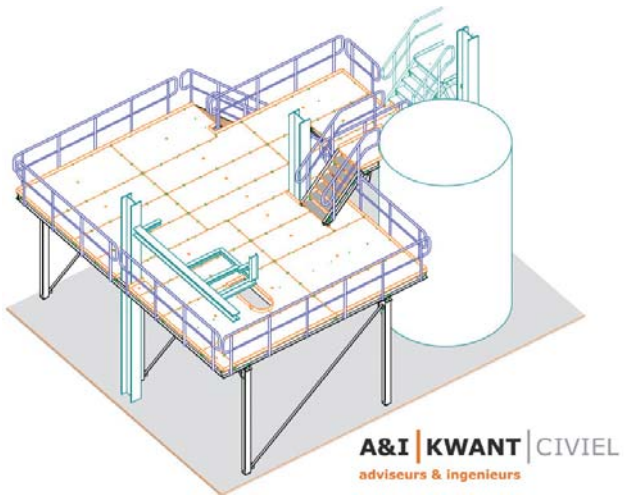
Which companies with this expertise have been acquired in the Industry business line?
"De Jong engineering in Hedel focuses on the engineering, installation, and maintenance of complete electrical systems, with a focus on end-of-line packaging and robotics/cobotics expertise. They are specialised in the food & beverage sector. With this business we strengthen our portfolio for the food industry.

RCO Mechatronics in Tilburg is specialised in the design, development and production of standard and client-specific robot & cobot applications for material handling and robotised palletising in the FMCG market. RCO Mechatronics has already been rebranded as Actemium."

INDUSTRY

CONSTRUCTION CALCULATION COOLING-SCREW PLATFORM IN THE PVC INDUSTRY

A&I Kwant Civiel is an expert in producing calculations and drawings for steel constructions in industry. A client in the chemical sector instructed A&I Kwant Civiel to prepare a construction calculation for a cooling-screw platform. The calculation determined which sections and connections were required between the steel components. Subsequently, the total construction was detailed in overview and shop drawings for the manufacturer of the cooling-screw platform.



AUTOMOTIVE FINISHING LINE FOR OLEDWORKS

There is a massive demand for OLED products for the automotive industry. Therefore, OLEDWorks is expanding its production capacity with a new Automotive Finishing Line. Amecha was given the order to build it. The engineering, assembly and commissioning of the new production line takes place at Amecha in Helmond. Then the production line will be commissioned at OLEDWorks in Aachen. Amecha carries out this project with Quality Automation GmbH under the overall project leadership of OLEDWorks.

VERAUTOMATION: SYSTEMS, BUT ALSO MORE SUSTAINABLE ADVERTISING MASTS

VerAutomation installs all types of building-specific systems as well as advertising masts. For one of its clients it provides the power supply for more sustainable advertising masts along Dutch motorways. These masts with a LED screen of an average of 100 square metres consume quite a bit of energy, yet they are more sustainable than masts with advertising banners. Those banners need to be replaced and that produces large amounts of CO_2. The content of the LED screens is changed remotely, which produces a CO_2 reduction. The LED screen also adjusts to the light conditions, and that saves energy too.

4.3 ICT

Helping to continuously improve industrial performance
VINCI Energies works together with its industrial clients to make their industrial plant and equipment more productive and to ensure their processes run more efficiently.

The business units provide solutions and services in many market segments. They design, roll out and maintain customised, integrated solutions and services for manufacturing plants and provide sustainable multitechnical services throughout the entire industrial lifecycle, including electrical engineering, energy efficiency, robotics, predictive maintenance, traceability, platforms for site management and cybersecurity.

Interview
with Tom Greeve,
Managing Director

> *Ambitious organisations are looking for a versatile ICT partner.*

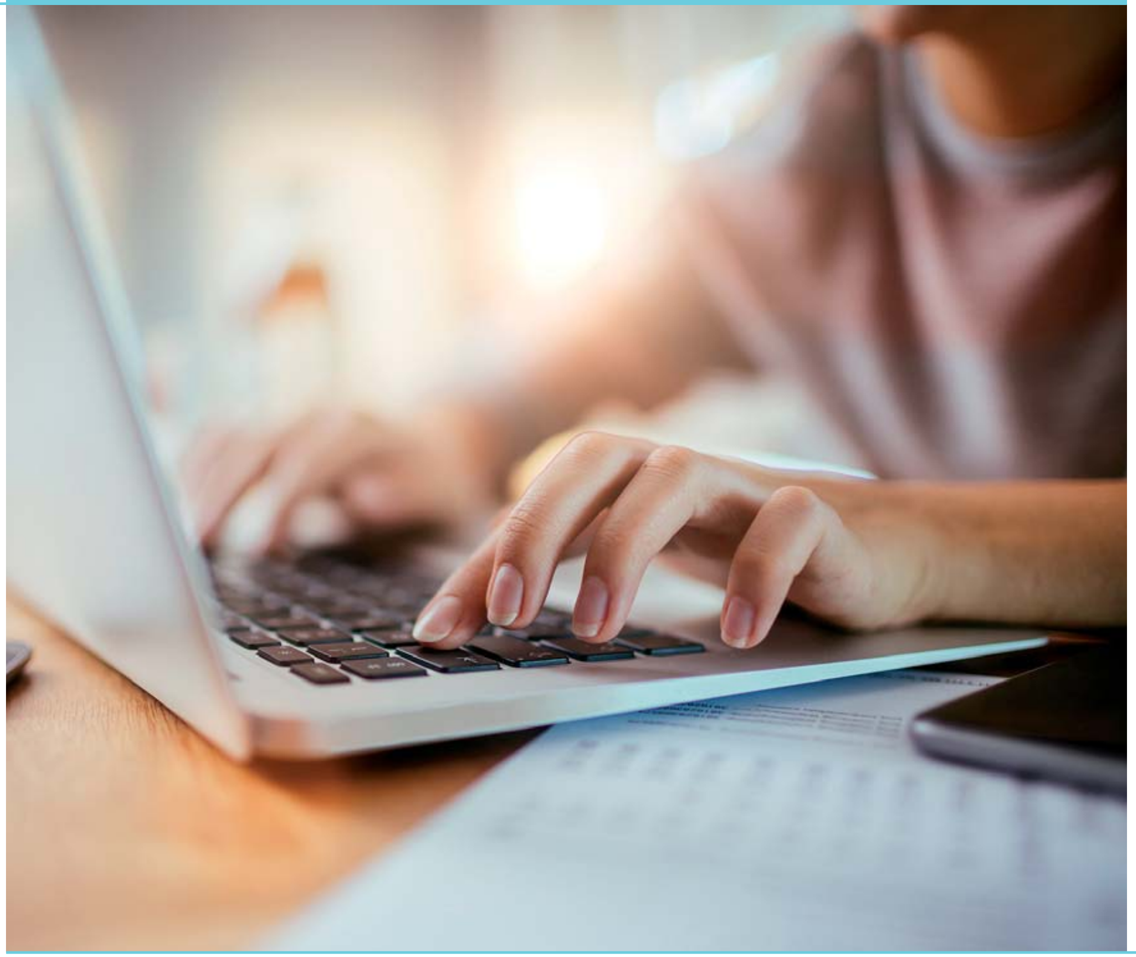
Which trends and challenges are impacting your market from a business, technological or social point of view?
"Solutions around cloud, data, cybersecurity and connectivity continue to be the major trends and form the basis for almost every project aimed at increased digitisation. That's where the investment goes. The tight labour market for ICT people is a real challenge, and the scarcity in the labour market affects our clients too. We deal with this by continuously training and investing in young professionals and traineeships in cooperation with intermediate and higher vocational education. For our clients, our as-a-service proposition provides a solution, as we take over service provision in full. Last year, there was a major increase in this demand, particularly in the area of networks, workstations, business applications and data analytics.

The rapid digitisation of almost every market demands flexible and innovative solutions. Our central theme is still the digital transformation. To help our clients with the issue 'how do I organise innovation' and 'how do I get a handle on my digital transformation', we have set up an innovation programme: 'Strategic Innovation: digital business transformation'. Because ICT plays a decisive role in digitising organisations."

What is the challenge of the environmental transition for ICT? What does Axians do to deal with sustainability challenges?
"The sustainability trend continues. Our partners and clients and our current and potential employees are becoming more critical. They want to know the specifics of what we do. That means we encourage hybrid working, we make our premises more sustainable and electrify our fleet.

We also use our Green+ Calculator to show clients the footprint that results from a certain choice of technology. For education and government organisations, we were able to produce insight into the energy consumption of the ICT environment and together we took measures to reduce that consumption. We also help clients to extend the lifespan of ICT products. We do that too."

ACQUISITION OF **OPEN-SOURCE SPECIALIST CYGNIS**



VINCI Energies acquired Cygnis. This acquisition ensured that the Axians brand has a strong open-source portfolio based on the strong and rapidly growing partnership with Redhat, part of IBM. Adding open-source and database expertise leads to an even stronger range of cloud and managed services. A broader portfolio means that Axians can support its clients even better in their digitisation on the way to becoming a flexible digital organisation.

ALWAYS THERE FOR OUR CLIENTS

ICT

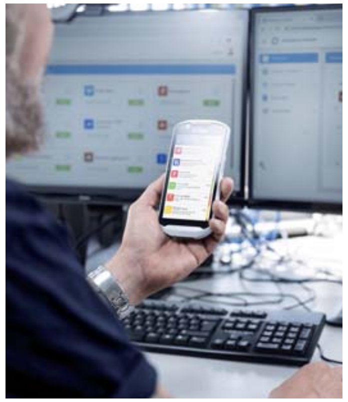
NETWORK-AS-A-SERVICE FOR UTRECHT CITY COUNCIL

Axians built a new IT network for the city of Utrecht. This modern, automated and intelligent network was purchased as a service. It enables the city council to achieve its ambitions, such as the transition to a cloud-first strategy in the near future.

PRIVATE LTE FOR ZORGGROEP SINT MAARTEN

Zorggroep Sint Maarten is a care organisation that provides residential and daycare for elderly people. The data and communication traffic for non-critical communication uses the Wi-Fi network, but the organisation opted to route critical communication over the new private LTE network of Axians. This is used for the telephone, the Nurse Call System, and care alarms, including fall and lost detection.

ICT



ALARM MANAGEMENT FOR WATER AUTHORITY WATERSCHAP ZUIDERZEELAND

Water authority Waterschap Zuiderzeeland decided to take the alarm management for management and treatment plant engineers to a higher level with IQ Messenger of Koning & Hartman. When it is linked to the SCADA systems, it produces an increased reliability and above all grip on dealing with faults.

SUPPORT DIGITAL HOSPITAL WITH NEW CARE PATHWAY

Ksyos is a digital hospital that operates at a national level. It provides high-quality medical care without waiting times. Digitally where possible, physically where it has to be. For patients this means: faster diagnosis and start of the treatment, less illness and more health. For the healthcare professional: more time for patients, reduced pressure at work, and fewer unnecessary costs. Bostec supported Ksyos and the OLVG hospital as part of the new Obesity care pathway to keep care accessible, affordable, and of good quality.

EUROMASTER IN-HOUSE QUALITY AUDITS

Euromaster is European market leader in tyres and small maintenance in the business market. The Euromaster in-house quality-management system describes how 2,500 sites in 17 countries have to provide quality, based on commerce, order, tidiness & safety and technical methods. With the Bizzscore application, developed by Axians, this system has been made available on the web for audits and self-assessments.

POLICE AUTOMATES ISSUE OF MEANS OF RESTRAINT/FIREARMS

Axians helped the Dutch national police force with automating the administrative process for issuing means of restraint/firearms. This ensures that officers are equipped with the means of restraint that match their skills and powers. The solution supports the transformation of the workflow 'appoint, train and equip' for more than 50,000 police officers. The result: improved support for employees, a reduction in the administrative burden, and better management information. Axians was recognised by Exact with the Project of the Year award.

DUTCH FLOWER GROUP AWARD

Innovating together to achieve the best results is only possible when you really know each other through and through. Axians has worked with Dutch Flower Group for many years and is proud to be recognised as its preferred partner for digitisation. For many years, Axians has helped Dutch Flower Group to move forward in terms of data, ERP, and digitisation, which has facilitated significant growth and development.

NETWORKING & SECURITY PARTNER FOR CBR

Axians builds a future-proof and sustainable network infrastructure that produces better, safer and faster services provision for clients and employees of the Dutch driver & vehicle licensing agency CBR. The instructions form part of the IT for Purpose programme. Aim: to improve the ICT landscape of the CBR and to prepare it for the future. By using software-defined networking, the management of the network is simplified enormously and automated. The use of advanced security technology ensures better security of the network.

CLASSROOM OF THE FUTURE FOR THE REGIONAL EDUCATION CENTRE ROC MONDRIAAN

In class together but 8,000 km away. On the basis of the Classroom of the Future concept, the latest digital technology has been used to create a unique live online learning environment between ROC Mondriaan and the secondary-education centre Scholengemeenschap Bonaire. Axians is the sparring partner for the students who create the Classroom of the Future themselves based on Cisco's latest software-defined network technology.

Interview

with Edwin Kanis,
Director Marketing & Innovation Axians

Awards are, above all, a recognition of what we do and how.

Axians is valued by its partners for its high levels of knowledge, innovative strength, and cooperation.
"Last year we received many awards, including from Microsoft, Cisco, and HPE Aruba. All three rewarded Axians as partner of the year. Exact awarded a project we carried out with and for the national police with a project of the year award."

What makes these awards important to Axians and what is their added value for your clients?
"They provide more exposure and with these awards we position ourselves in respect of other ICT service providers. Above all, it is a recognition of what we do, and how, with our partners and our clients. The awards are often related to the projects we do for and with them. Our clients are the ones who chose to start a digital transformation. The award is for them too. It means they are well on their way in the digital transformation. It also means that together with our partners we were innovative in designing and building new solutions and services, and that they were marketed successfully. Our As-a-Service services in particular - for example our Networks as a Service - clearly meet a need for our clients.

Our starting point always remains the same: the best of ICT with a human touch. In other words, we work with the best suppliers and the best technology. Together we safeguard the human dimension in our projects. In a digital transition it is not just about technology, it is also about people and change. Our added value is in our high levels of knowledge, innovative strength, good cooperation and our attention to the people who have to work with our solutions."

700,000 FORECASTS FOR OPTIMUM DISTRIBUTION TO HOOGVLIET SUPERMARKETS

Hoogvliet is a supermarket chain with 6,000 employees in the provinces Noord-Holland, Zuid-Holland, Utrecht and Gelderland. It is almost fully mechanised and automated distribution centre supplies more than 10,000 items to its 70 shops. To make distribution as smart as possible, Hoogvliet produces more than 700,000 forecasts a day based on data from a SAP data platform. It uses SAP IQ as a data warehouse for these forecasts and SAP HANA as a superfast calculator. Axians assists Hoogvliet with these types of technical matters.

MICROSOFT AND AXIANS: A SUSTAINABLE FUTURE

Axians and Microsoft Nederland signed an active commitment - Partner Pledge - to achieve a positive social impact on society. This covenant is focused on: digital skills, diversity and inclusion, ethics in AI and sustainability. Both partners are aware that the industrial revolution and the rapid acceptance of technology produce wholesale changes that have enormous consequences for the world. They wish to encourage a culture of lifelong learning, where people can get the most out of an inclusive and sustainable digital future.

ADVANCED ANALYTICS: OPTIMUM CHARGING TIMES FOR ELECTRIC BUSES

As of 2030, the Rotterdam region will only have electric or hydrogen buses. How do you make sure that electric buses are never without battery capacity? That a faulty charging station is not an issue? This requires an optimum distribution of charging stations and charging times, but that is proving to be a highly complex issue. Public transport company RET looked for a solution in advanced analytics. RET selected IBM ILOG CPLEX Optimization Studio with support from Axians.

4.4 Building Solutions

Making buildings smarter and more sustainable
The VINCI Energies Building Solutions network makes a multifaceted contribution to bringing about sustainable, comfortable, smart and safe buildings and sites for property owners, businesses and institutions, and their end users. The Building Solutions network in the Netherlands consists of the local brands Bosman Bedrijven, Schilt Bedrijven, Verkerk and VanderLinden. They work in several sectors, including industry, transport & logistics, property, healthcare and non-residential construction.

The solutions are provided during every phase - design, construction and maintenance - of building-specific environments and range from building automation, electrical systems, fire safety, climate technology, solar power and inspections to strategic maintenance planning.

Interview

with Arjan Haagmans,
Director VINCI Energies Building Solutions

Clients actually go for quality and capacity.

How can the property sector play a central role in the energy transition? Which trends do you see?
"The compulsory Energy rating C for offices and the NZEB (Nearly Zero-Energy Buildings) requirements for all new buildings produce a massive boost in the demand for solutions for the energy transition. The sharp rise in energy costs also stimulate the drive to make buildings more sustainable. Our Building Solutions business line has plenty of in-house knowledge and expertise to advise, design, and build solutions and to issue energy-efficiency rating certificates.

The energy transition and the digital transformation demand further innovation from our business units. To give an example. Many organisations aim for their buildings to be CO_2-neutral by 2030. However, they do need energy in those buildings. More of that will be generated with sun and wind. There will also have to be a facility for the times you cannot generate energy. VanderLinden developed a modular charge concept for that. Batteries are charged by solar panels and small wind turbines for test and demonstration purposes. Then it will be rolled out."

What do you expect for 2023? And what about your clients?
"With geopolitical developments, the scarcity of building materials and the nitrogen issues, we expect the new-build market to stagnate. Yet most of the business units have a good order portfolio. We see that clients are more likely to go for quality and available capacity.

The shortage of skilled technical people continues to play out. That's why Verkerk is setting up its own company school for school leavers and people who are looking for a change in direction. With the excellent cooperation between the VINCI Energies business units and partners, we can continue to realise our projects. We also build on the strength of our strong, regionally-known brands."

BUILDING SOLUTIONS

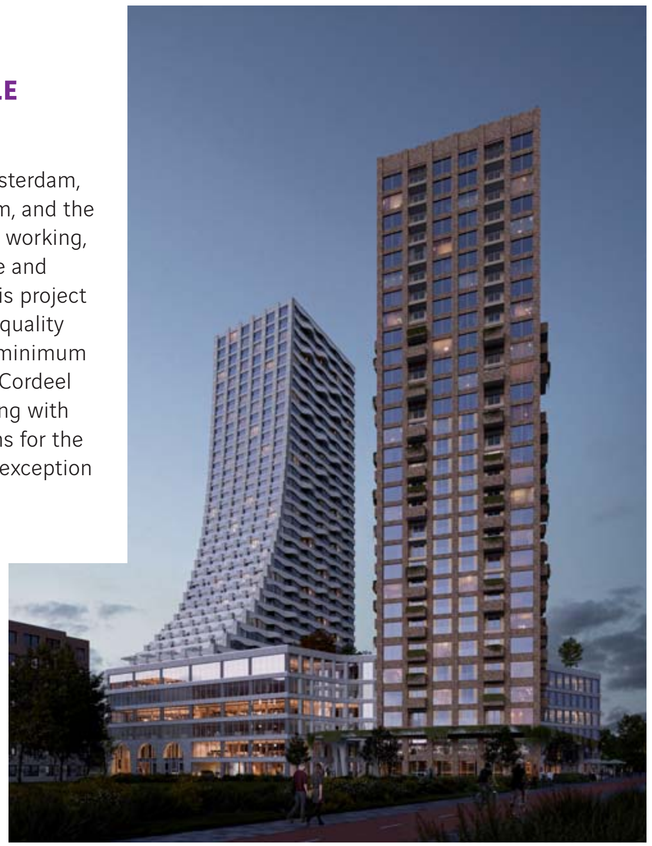
WIND FARM HOLLANDSE KUST (NORTH) CONNECTED TO DUTCH ELECTRICITY GRID

In close cooperation with BAM Infra Nederland, Verkerk contributes to connecting the future wind farm Hollandse Kust (north) to the Dutch grid.
In this project, Verkerk provides all the electrotechnical installations, HVAC (heating, ventilation and air-conditioning), control technology, fire-alarm systems and distributors for more than 30 buildings. It plays a part in the safe, reliable and affordable landing of sustainable energy.

(Photo TenneT/Chris Pennarts)

THE ENSEMBLE: HEALTHY LIVING AND WORKING IN A SUSTAINABLE ENVIRONMENT

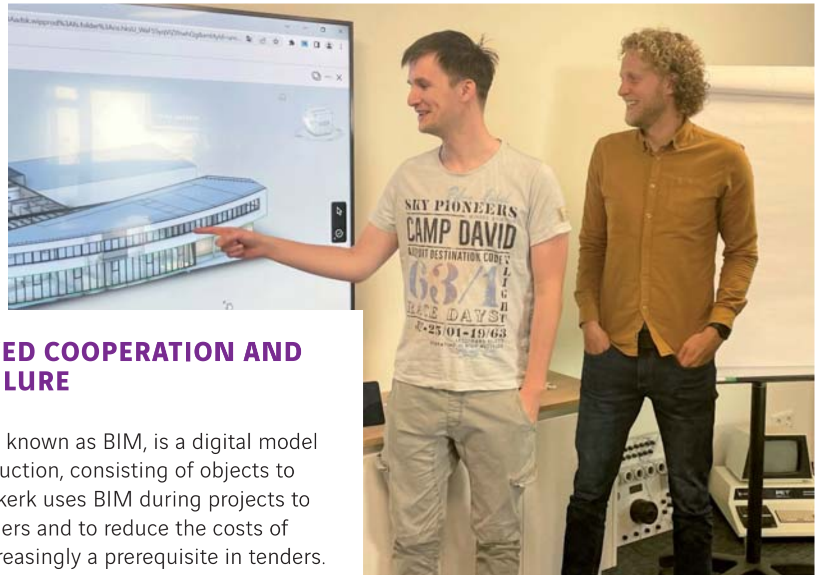
In the new-build project The Ensemble in Amsterdam, the developer Great Grey Investments, Wonam, and the Amsterdam local authority aim to bring living, working, and housing together in a greener, sustainable and healthy environment. The aim for offices in this project is a BREEAM Excellent rating: a sustainability quality label for the construction of buildings with a minimum environmental impact. On the instructions of Cordeel group, Bosman Bedrijven contributes by dealing with the mechanical, electrical and sanitary systems for the flats, office spaces and the facilities, with the exception of the thermal-energy storage system.



DHVM: SET OUT ON THE ROAD TO SUSTAINABILITY TOGETHER

DHVM Vastgoedmanagement manages property portfolios. VanderLinden provides support for the maintenance of larger premises. It also provides advice on energy-saving measures and sustainability issues. For example, VanderLinden was asked to chart the technical status of all the systems, as part of a maintenance contract for new premises, to set out on the road to sustainability together.

BUILDING SOLUTIONS



BIM LEADS TO IMPROVED COOPERATION AND REDUCED COSTS OF FAILURE

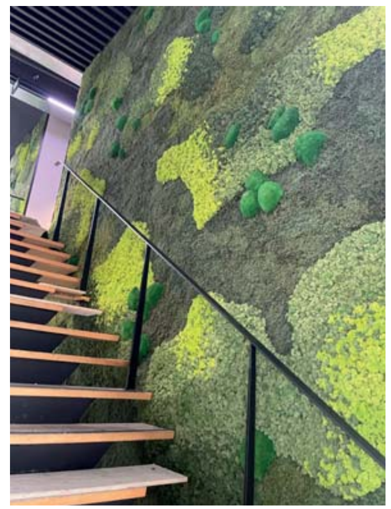
Building Information Modelling, known as BIM, is a digital model of an existing or planned construction, consisting of objects to which information is linked. Verkerk uses BIM during projects to facilitate cooperation with partners and to reduce the costs of failure. Working with BIM is increasingly a prerequisite in tenders. To work with BIM in the best possible way, Verkerk was able to call on colleagues in the VINCI Energies network, as Bosman Bedrijven had been using it for many years.

MORE CAPACITY FOR AMSTERDAM CENTRAAL RAILWAY STATION

The future will mean more trains and more passengers for Amsterdam Centraal railway station, so its capacity will be increased. The platforms will be widened and the hoisting points are also widened and replaced. As a result, all the existing technical rooms need to be removed and the systems need to be relocated. On the instructions of BAM Infra and ProRail, Verkerk deals with the engineering of all the building-specific mechanical engineering systems and will the start the work for the mechanical engineering systems in 2023.

COMFORTABLE INDOOR CLIMATE FOLLOWING THE RENOVATION OF GAUDI

In Amsterdam Zuidoost, the office complex Gaudi is transformed into a sustainable boutique office. Workstations where people can be happy, healthy and successful are combined with a social base, a restaurant, meeting rooms, and a gym. VEGA Projects involved Bosman Bedrijven in this renovation, and they modified the electrical and mechanical engineering systems. VEGA Projects and Bosman then selected Verkerk to modify the control technology with hardware and software. Constructive cooperation between two VINCI Energies brands.



NEW, SUSTAINABLE BUSINESS PREMISES NOW ALSO A DEMO SITE

You can do the same for yourself as for your clients. This was proven by Verkerk when it designed and built its new offices. By now Verkerk Service Systemen has occupied the sustainable office building: it has a fabulous look and an A++ label. The building is also a place where Verkerk can show its client how you can make an office sustainable.

SOLUTIONS FOR CHANGING HEALTHCARE

Topaz provides vulnerable people with complex care needs with loving, personal and top-quality care. This care organisation in Zuid-Holland has set itself new objectives, and started the transition to a changing healthcare with expertise partners. Care technology is one of a number of factors that will play an increasingly important role in this process. Topaz selected Verkerk as its supplier and implementation partner for care technology for all its 9 sites. A shared innovation pact was also agreed for future automation of work processes.

THE PULSE AMSTERDAM: A SMART BUILDING

Living, working and leisure come together in The Pulse on the Zuidas in Amsterdam. This complex with offices and 200 homes of Vorm Ontwikkeling and Edge has an energy-neutral and circular construction process. Apart from solar panels, it will also have a thermal-energy storage system for example. Captured rainwater will irrigate the lush landscaping. The carpark is equipped with charging stations. All the systems - designed and built by Bosman Bedrijven - will be controlled by a building-management system. For this project, Bosman works together with Verkerk, another VINCI Energies NL brand in Building Solutions.
(Copyright visual: AbsentMatter)

REMBRANDT PARK ONE: HIGH-GRADE RENOVATION AND SUSTAINABILITY

The Rembrandt Park One project comprises the renovation and sustainability of 25,000 m^2 office space and the construction of another 2,500 m^2 with two extra floors. The building will be stripped completely and will have a restaurant, a coffee bar, and a gym. This high-grade renovation aims to achieve a BREEAM Excellent rating. To facilitate the sustainability, Rembrandt Park will have a thermal-energy storage system, low-temperature heating (LTV), climate-control ceilings, and PV panels on the roof. Bosman Bedrijven will work on this project this project with its partner Dura Vermeer Renovatie Midden West.

LIVE TOGETHER, LEARN TOGETHER, WORK TOGETHER

In the Overvecht neighbourhood, the local authority of Utrecht and COA will set up 300 temporary residences for asylum seekers based on the Plan Einstein concept. It signifies a place where wonderful meetings will happen. Where residents of the Utrecht asylum-seeker centres, people from the neighbourhood and other residents of Utrecht live together, learn together, and work together. A unique concept with stackable units was developed for this purpose. VanderLinden will deal with the mechanical and electrical engineering.

ZONNEGILDE: LONG-TERM PARTNERSHIP FOR LARGE-BUSINESS SOLAR PROJECTS

Zonnegilde is a specialist in the area of completing solar-panel projects for business end users, government or quangos, property developers, contractors and land owners.
It only works for clients that take sustainability seriously in their work and living environment and that are looking for top-quality, advanced and suitable action. A long-term partnership with its clients, employees and suppliers comes first for Zonnegilde. For large-business solar projects, it works together with VanderLinden.

VINCI ENERGIES ACQUIRES DE SCHILT BEDRIJVEN

With the acquisition of De Schilt Bedrijven in Meerkerk, VINCI Energies strengthens its Building Solutions portfolio. This company with specialist HVAC expertise has been building top-quality indoor climate systems for companies and private individuals for more than 45 years. The three operating companies - Schilt Airconditioning, Schilt Luchtkanalen and Schilt Luchttechniek - provide a total climate system. They mainly focus on fitting companies and contractors in the non-residential sector and on luxury housing construction. They provide all the services themselves: from design and installation to maintenance.

INTERVIEW

WITH EUS DE HAAS, CORPORATE DEVELOPMENT DIRECTOR AND GENERAL COUNSEL

With the KPIs for ESG, we can improve the quality of sustainable chains and create more long-term value'

Eus de Haas
Corporate Development Director
and General Counsel
VINCI Energies Nederland

The European Commission requires large companies to be audited for ESG as of 1 January 2025. ESG stands for Environment, Social and Governance policy. How does that relate to the Manifesto of VINCI Energies, our starting point for Corporate Social Responsibility?

"All our employees endorse the principles of Corporate Social Responsibility of the VINCI Group. We translated those principles into eight convictions: our Manifesto. These eight convictions have been derived from the objectives of the UN Global Compact, which VINCI has signed."

"Needless to say that our convictions are more than just good intentions. That's why we have our progress on the way to the objectives of the United Nations that underpin our Manifesto audited by an independent party, EcoVadis, since 2013. In 2022, we achieved Platinum status in the EcoVadis review. The review requires us to record all types of things in terms of sustainability."

"The European Commission decided on a Corporate Sustainability Reporting Directive (CRSD). This sets out how large companies need to report on their activities in the area of sustainability policy. The most important areas are Environmental, Social, and Governance (ESG). VINCI Energies Netherlands is a large company and will have to comply with the ESG reporting requirements."

How will the performance of a company around ESG be tested after 1 January 2025?

"This is done by an external auditor. Alongside the financial audit, they will perform the ESG audit. The ESG audit will check whether you do what you say and how you prove that. And that you are who you say you are.
To test that, a company needs to use systems that record all types of things that result in KPIs: Key Performance Indicators. How this is to be done is set out in a Due Diligence Guideline. We are already working on and with systems for this."

Will the reporting for ESG match that for the Manifesto?

"No, but they complement each other nicely. For the Governance element of ESG, for example, you need to record what you as entrepreneur do in terms of opportunities and taking risks in this volatile world. We have an Opportunity and Risk Management Model for that purpose. It is used by our Board and managers to produce a context analysis of the world in which we live and work. That is about exploring the business opportunities and their corresponding risks. We also have a Project Review System that our business units use to manage larger projects."

"And in the area of Ethics - another aspect of Governance - we perform third-party analyses.
We assess our clients, suppliers and subcontractors on the basis of a specific method to determine whether they are respectable and transparent entrepreneurs.
Our business units do that themselves and record it themselves, as they decide who they work with. We record that in systems and databases, so that clients, external auditors or the government can ask questions."

"Take information security and the General Data Protection Regulation. A growing number of our business units - 25 out of 65 - is ISO 27001 certified and 8 business units are NEN7510 certified. We do that for our own organisation. But we also do it so our clients can see that we have systems that safeguard the integrity of their data. Important, because we supply many ICT systems, cloud solutions and infrastructure and use remote control for systems.
With these systems and certifications, we can safeguard the objectives we communicate internally and externally to our stakeholders."

Do we have systems to record our Environmental performance?

"Obviously. We set up eVE for example, 'environmental VINCI Energies'. That is where we monitor our CO_2 footprint per business unit. That leads to a report about all types of energy consumption, the sustainability of our buildings and the use of electric vehicles. We have our footprint certified by external auditors for the CO_2 performance ladder. Nationally we are on level 3 and we would like to reach 5."

"We also consider what our services mean to the CO_2 footprint of our clients, in order to help to reduce that too. We created a database of what we purchase and pass on to the client, so that this can be expressed as a CO_2-footprint factor. Then we can do something about it together with the client. We have the expertise in-house."

"In other words, we embed and secure our processes and have systems to arrive at financial and non-financial KPIs. That means we can be assessed on how we perform in terms of ESG in respect of our stakeholders. For example, our position as an attractive employer in the labour market. By reporting on financial and non-financial KPIs, we can be assessed on long-term value creation and our contribution to ecosystems - partnerships - with clients and suppliers."

ALL-ROUND PERFORMANCE FOR SUSTAINABLE DEVELOPMENT

Developments over the past years have demonstrated that society and business are inextricably bound together. VINCI Energies is aware that it works in, for and on behalf of society. Needless to say that Corporate Social Responsibility is an important element of the VINCI Energies Way of Life. This 'Way of Life' is based on a number of clear values and is supported by the Manifesto of our convictions, which is derived from the Global Compact of the UN that was signed by VINCI, the Sustainable Development Goals, and EU legislation regarding Environmental, Social and Governance.

These reach many stakeholders, and we are able to emphasise our responsibility for developing a sustainable world. The convictions from the Manifesto are translated into activities, projects and processes of our business. We call this the allround performance. It is our approach to connecting the entrepreneurship, the operational performance for our clients with the convictions in the VINCI Manifesto and the expectations of society.

Balancing shareholder value with shared values we create with our stakeholders, civic responsibility and sustainable business operations are all closely linked.

By offering technical solutions and services and information technology, we bring digital transformation and energy transition to life for our clients. In our current, uncertain world, awareness of sustainable business operations, active compliance with legislation and the growing expectations of clients and society in respect of ethical conduct, social and civic relationships and the environment, have become natural obligations of leadership. It makes sustainable development a possibility.

Our business units share shared management principles, culture and values, despite the diversity of their activities.

External audits

We like to have this sustainable form of business operations and corporate social responsibility reviewed by external organisations. Over the past years, we have had the above KPIs, measures and guidelines assessed by auditors of Det Norske Veritas and Ecovadis. The latter organisation rewarded us with the Platinum Award for our CSR policy in the area of 21 topics that are grouped around Environment, Social arrangements and Governance. Ethical business operations, attention to solutions that lead to retaining a future-proof environment, healthy employment relationships, human rights and a sustainable supply chain are spearheads. This is a real point of pride, as we know that only sustainable business operations contribute to our licence to operate and to a licence that takes account of society's expectations.

Allround performance, the link between our operational activities and the core values of VINCI Energies, the Manifesto, and ESG are now part and parcel of implementing our operational activities and our journey to sustainable business operations. Our aim is that they meet the expectations of society, our clients and other stakeholders. We realise that they must also meet the expectations of new generations of future employees, who we would like to give a role in helping us to take responsibility. Together we work on a sustainable future with a healthy balance between shareholder value and jointly created social value with all stakeholders.

Our values

Solidarity: This is more than a principle, it is a reality that exists because of and in the network: knowledge, activities and resources are shared within VINCI Energies to improve efficiency and the ability to act quickly. It strengthens the feeling of connection and simplifies working together.

Trust and transparency: We choose to work in a sphere of trust. Trust is something that is granted, earned, and rewarded and it enables people to work together in the knowledge they can rely on each other.

Entrepreneurship: We recognise the ability of every individual to take initiatives, to see and realise opportunities for success. With enterprising colleagues, our organisation develops, and opportunities can be used. In turn that creates new ideas and opportunities, and we can anticipate technological changes and innovations for the benefit of our clients' projects.

Empowerment: We provide talent the room for development by giving every individual employee and business unit the freedom to take initiatives. The business units determine their own development strategy and are authorised to carry this out in accordance with the culture of the group. Empowerment strengthens their ability to act quickly and creatively and in direct contact with the clients.

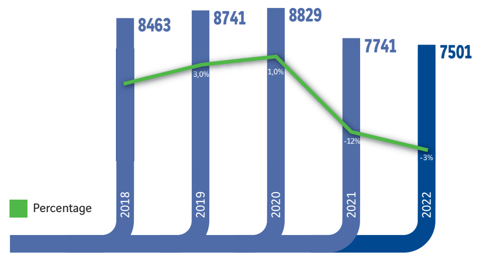
Responsibility: Our joint success depends on the responsibility our employees are given and take at every level of the organisation, irrespective of their position. Responsibility for day-to-day activities, colleagues, for projects, clients and their business unit.

ENVIRONMENT

VINCI Energies in the Netherlands is committed to reducing the emission of greenhouse gases by 40% between 2018 and 2030 for scope 1 and 2, and by 20% between 2019 and 2030 for scope 3. We support our clients in their quest for improved energy efficiency. We encourage our clients and suppliers to adopt our environment-friendly approach. We share our performance and reports in the area of the Environment with our clients.

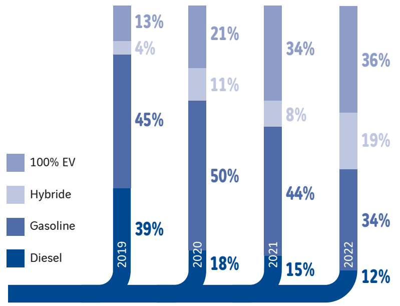
In the supply chain, environmental compliance and the performance of suppliers and subcontractors are registered and tracked in a Vendor Portal and Contract Database. We work actively on reducing the emission of greenhouse gases and we comply with the guidelines of the European Energy Directive by taking part in the CO_2-Aware programme. In 2022, we launched the reporting tool eVE (environmental VINCI Energies), which is used to monitor the quarterly CO_2 footprint per business unit for scope 1 and 2. That leads to a report about all types of energy consumption, the sustainability of our buildings and the use of electric vehicles. We have our footprint certified by external auditors for the CO_2 performance ladder. Nationally we are on level 3 and we would like to reach 5. As we achieve a considerable part of our mobility with a company fleet, this will become fully sustainable over the coming years by replacing company vehicles and lease vehicles with electric or hybrid vehicles at the end of their contract term.

CO_2 EMISSIONS



Numbers are in tons of CO_2

REPLACEMENT OF CARS OVER THE YEARS



Source: total fleet WPO

ACCELERATE THE ENERGY TRANSITION TOGETHER WITH NEW ENERGY COALITION

Actemium and Omexom are partners of the New Energy Coalition. The New Energy Coalition is a growing network of knowledge institutes, business, governments and NGOs that work together to accelerate the energy transition. As partner of the New Energy Coalition, Actemium contributes its expertise and experience in the area of energy transition for the industrial sector and Omexom for infrastructure. Actemium and Omexom believe in the value of cooperation and the power of collective action to achieve a sustainable future, and in encouraging innovation and progress in the energy sector together with other partners of the coalition.

GREEN ambassadors

GREEN AMBASSADORS: ONE YEAR OF WORKING FOR THE ENVIRONMENT

In 2021, we started the Green Ambassadors network to encourage awareness and creativity in the area of environmental issues in our business units, to share it and convert it into specific plans. For our own organisation, our clients, and our partners in the chain. In 2022, this network had two digital meetings and one face-to-face. It has produced quite a bit already. For example, Verkerk has its own Green Ambassadors network at its site in Zwijndrecht. They are working on a new recycling centre and are looking at waste flows, the packaging of suppliers, and the awareness amongst colleagues.

AXIANS SIGNS NATIONAL MANIFESTO FOR SUSTAINABLE DIGITISATION APPROACH

The National Coalition for Sustainable Digitisation presented a manifesto on sustainable digitisation to the Minister of Economic Affairs and Climate Policy. The Netherlands can become an international, sustainable digital leader by developing and applying digital technologies and data, and by fighting climate change, negative environmental effects and the impact on raw materials. Together with government, business, knowledge institutes and residents, the coalition aims to cash in on opportunities, to solve issues, and to develop a route map. It aims to accelerate the transition to a sustainable digital infrastructure and to minimise the ecological footprint of our digital system.
This matches VINCI Energies objectives, and Axians signed this manifesto.

VINCI ENVIRONMENT DAY: EXTRA EMPHASIS ON THE ENVIRONMENT THEME

Sustainability is our shared responsibility and it is a theme for us all. The VINCI Environment Day is intended to include all employees - inside and outside the Netherlands - in the steps taken by VINCI to reduce our CO_2 emissions. From awareness and inspiration to action. All business units paid attention to this topic. The 150 colleagues of Actemium in Veghel, for example, started the day with an inspirational film about all the sustainable initiatives Actemium Netherlands and VINCI Energies NL aim to carry out.

GREENER WORKSTATIONS FOR BUSINESS UNIT IN ZEVENAAR

Save energy and costs long-term in just 5 minutes? The Actemium business unit in Zevenaar came up with just that! The standby power of a workstation in an office adds up to an average of 104 kWh per year. To stop this, every workstation was given a smart plug. An investment that is earned back in two months and has a permanent impact on the CO_2 footprint. Now, all workstations are switched on and off every day with a simple button on the plug.

SOCIAL

The human resources development policy - that relates to recruiting, integrating and encouraging talent, promoting diversity, and helping young people to give meaning to their work - reflects the identity of VINCI Energies: a technical service provider whose success depends by definition on the commitment and professionalism of its people.

Our Manifesto contains five convictions that come under the Social element of the European Corporate Sustainability Reporting Directive regarding Environment, Social and Governance, being:

- Strive for zero accidents
- Foster equality and diversity
- Promote sustainable careers
- Share the benefits of our performance
- Engage in civic projects

Strive for zero accidents

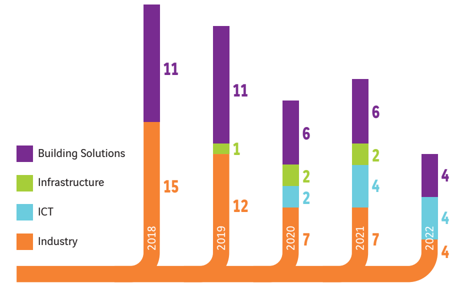
We reject the notion that accidents at work are unavoidable. Our managers feel responsible for guaranteeing the health, safety and wellbeing of our employees at their workplace. It is our objective to be aware of safety at all times and to become a completely accident-free organisation as a result. We promote a safety culture where employees and managers are in dialogue about the safe implementation of operational activities. We encourage our clients to adopt our working methods.

A socially safe and healthy work environment for everyone

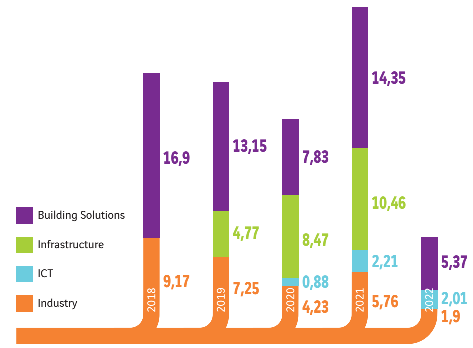
Our safety culture goes beyond a safe implementation of operational activities. We believe it is obvious that we provide a healthy and safe work environment and wellbeing for all our employees. In our business units, in the office, with our clients or on the road. We do this for and with each other. Recently we recorded this policy in a mission statement about Health, Safety and Wellbeing that is supported by all the business units.

> *A socially safe and healthy working environment for everyone.*

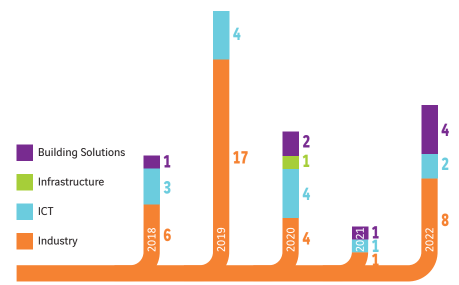
ACCIDENTS



RATE OF INCIDENTS



TRAFFIC ACCIDENTS



OMEXOM SAFETY DAY: OPEN DIALOGUE ABOUT SAFETY

Omexom works on safety awareness with the Omexom Institute, it holds toolbox meetings, workplace inspections and gives training in virtual reality. The aim is to start work on projects with the best possible preparation, because safety is the number one priority. For Omexom, its clients and its subcontractors. Omexom works with many partners on projects for TenneT, for example. Therefore, it organised a Safety Day for clients and partners in the context of this chain cooperation. The programme consisted of plenary presentations, interactive sessions - including a Safety Escape room - a 360° video and virtual reality. It created a fantastic dialogue about safety.

BOSMAN BEDRIJVEN INCREASES SAFETY AWARENESS WITH YES CAMPAIGN

In 2022, Bosman Bedrijven started an internal competition to improve the safety culture even further. The business unit was divided into 10 teams. Every team was given a monthly challenge with a Safety Game, where points could be scored. An Escape Room, video recordings and role plays were used. The teams competed for the top prize. The YES campaign produced a positive stimulus for reporting incidents, holding toolboxes and carrying out workplace inspections.

GLOBAL SAFETY WEEK: TALK ABOUT HEALTH AND SAFETY

Each year, VINCI Energies organises a Safety Week in all the business units across the world to improve our safety culture. The wellbeing, health and safety of our employees are always our priority. We continue to focus on this to make everyone aware. We achieve this by talking together about how we deal with health and safety at the workplace, but also about travelling safely to and from work. Including the range of physical and non-physical aspects of health and safety at work and the organisational and human factors that play a role. Consider issues, such as preventing unhealthy stress or encouraging a good work-life balance. Wellbeing, in other words.

HEALTH & SAFETY YEAR FOR BUSINESS UNITS IN DATA AND BUSINESS ANALYTICS

A safe and healthy workplace is important - every day. That inspired the Axians business units, who work with data and business analytics, to pay attention to this topic for the entire year. Every four months a new theme was started up, for example safety in general or physical or mental health. Every month, activities were organised that matched the theme, such as driving safely, healthy diet, and energy management.
This approach was really appreciated by the employees and will be continued in 2023. Several Axians business units have joined this initiative.

VANDERLINDEN RECEIVES VITAAL BEDRIJF CERTIFICATE

With merits for the lifestyle themes exercises, diet and mental balance, VanderLinden in Veghel now also has the Vitaal Bedrijf Vignette. It believes it is important that its employees are fit and that they feel good. The first steps in the area were taken with more free fruit, an annual running competition, and a discount on gym memberships. Besides a preventive vitality study and fun actions, a vitality calendar underpins the current vitality policy. It lists all the workshops that employees can attend each month.

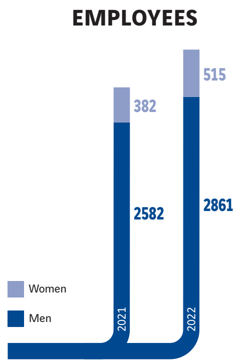
Foster equality and diversity

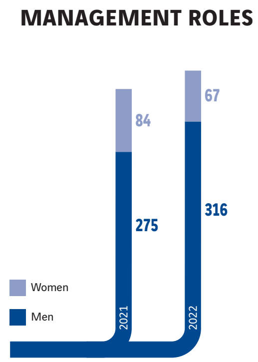
Our culture is based on bringing people with various backgrounds and expertise together. Our employees all share the same values and experience these every day again. With the Guidelines for Human Rights, we reject all forms of discrimination in hiring personnel, in the everyday work environment and in the career development of our employees. We train our managers in this requirement and impress it on our suppliers and subcontractors.

We promote diversification of our group of managers by focusing on women and people of different origins.

The notion that it is impossible to find female managers for a technical service provider is the subject of flip-thinking in training sessions.
One of our companies was awarded a certificate for the Corporate Social Responsibility Performance ladder by actively using employees with an autistic background for making products for our clients.
By sharing experiences with other business units, we create opportunities for people who are on the sidelines. It helps that some of our companies and their business units use the Training Company Certificate.

> *Our employees all share the same values and experience these every day again.*





AXIANS: STUDY DIVERSITY AND INCLUSION AND SOCIAL SAFETY

An external company carried out a study for Axians to find out how its employees experience and value inclusion and diversity in Axians. They were asked about possible improvement points and how they experience social safety. All the employees were approached, and 49% joined in. The most important conclusions? Employees find it important that Axians has a view on this issue and they value diversity on the work floor and in the management strata. In relation to inclusion and diversity, a strong majority found that everyone is treated equally in Axians and has the same career opportunities. Employees also think that the work environment is free from discrimination or intimidation and that there is enough attention to diversity in recruitment. That you can be yourself in Axians, and that you are seen, respected and acknowledged.

UNCONSCIOUS BIAS TRAINING FOR MANAGEMENT

VINCI Energies wants to reflect society and diversity and inclusiveness are part of our shared strategic plans. It encourages people to think about it and to keep working on it. We have regular discussions with management teams on what we mean by diversity and inclusiveness, but also with employees in the business unit. In 2022, we started with unconscious bias training for managers. These training programmes about implicit preconceptions intend to make employees aware of their implicit prejudices and they offer tools to adjust automatic thought patterns.

Promote sustainable careers

We take a long-term approach in the relationship with our employees. We feel responsible for promoting a balanced career and personal development of our employees.

Working at VINCI Energies means contributing to our success and to solutions that make day-to-day life easier. It also means working on your own future. With training and job rotation, we promote sustainable deployment in our organisation and we provide employees with more opportunities should they leave our organisation.

The talent management system Taliris and the Young Professionals programmes of our brands structure the development of our employees. The VINCI Energies Academy in the Netherlands provides management development courses for existing and future leaders and board members on a range of business topics, including retaining our decentralised management system of the business units and ‘intrapeneurship’ of employees.

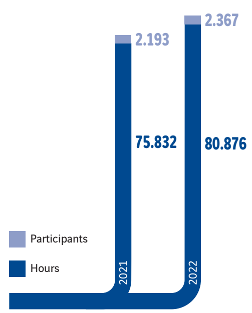
Project managers, client managers and functional and support specialists attend comparable training programmes that retain and promote responsible entrepreneurship and leadership competencies. In addition, our Omexom and Axians brands have their own Institutes to broaden the competencies of their employees and to anticipate future developments in their markets and clients through innovations.

Interview

with Nathaly van Asperen,
Director VINCI Energies Academy NL

The Academy is entering a new phase.

TRAINING HOURS PARTICIPATION



Which new developments inside and outside our organisation does the VINCI Energies Academy respond to in order to ensure employees are better prepared?
"After Covid, hybrid working is here to stay. But we need to maintain a balance and make sure that people retain a good bond with the organisation. The Academy has a powerful contribution to make in that regard. Connecting people is at the core of what we do.

A tight labour market is another development. As an organisation we focus on recruiting and retaining people. Personal development is extremely important for retaining people. The Academy plays an essential role in that too."

Could you say something about the content of the new management development programme?
"We added the leadership seminar to the modules of the existing management development programme. That is the basis before you start the other modules. That's where we zoom in on our DNA. We want people to understand this by experiencing it first-hand. We bring them together and let them experience the added value of the network. The Academy will also do more for improved onboarding of employees of acquired businesses."

Besides the VINCI Energies Academy, there are now also institutes in Omexom, Actemium and Axians. How do they work together?
"The Academy focuses on our culture and values, the brand institutes on the technical skills. The institutions are brand-wide. Some things are better picked up as a brand. We believe that is clear and convenient to have one platform where people can find training and courses. That's the purpose of the Academy portal.

There is already a global network of Academies, and the Business Institutes will be added to that. That produces an international learning network where people can exchange practical issues in the area of e-learning, for example. Learning with and from each other continues to be important."

EDULAB: FOR YOUNG TECHNICAL TALENT

Technical talents are thin on the ground. That's why the Edulab enthuses young people for the technical profession. In our Edulab, young people can gain practical experience by way of a placement, dissertation or apprenticeship process. We are training tomorrow's top technicians together with education institutions. The technology of the future is available here today for students.
The Edulab is based in the new Industrial Technology Center of Actemium in Veghel, which was opened in October. An inspirational environment for students of higher and intermediate vocational education or technical university who can be introduced to the latest technology. They are supervised by experienced colleagues.

YOUNG PROFESSIONALS STARTS AGAIN IN AXIANS

Axians has a Young Professionals programme where young people start immediately after their education, where they work on their personal development by studying which direction they wish to take, and discover their specific talents and passions. Besides the Young Professionals programme, there is also a technical traineeship. Both programmes are supported by external partners who focus on sustainable personal development for 18 months. There is also an intensive programme of professional, technical knowledge, support from the manager, the HR business partner and a coaching colleague.

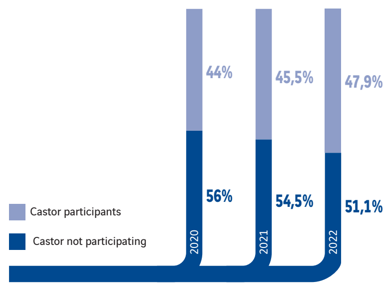
Share the benefits of our performance

We strive to share the benefits of our growth with our employees around the world through employee shareholding and appropriate profit-sharing schemes.

By working together in the structure of our network organisations and autonomous business units we achieve our success. Sharing the success of our performance is an important value and a specific example of wellbeing. Therefore, we provide all our employees with the opportunity to share in our success by acquiring shares in our company through the CASTOR programme.

A total of 9.9% of VINCI shares is held by employees, making the employees together the second largest shareholder of VINCI. In the Netherlands, 47% of all employees participated in the CASTOR share programme. Employees receive bonus shares if they participate in this savings programme. The business units and subsidiaries also have profit-sharing schemes to reward employees suitably for special performances and jointly achieved results.

CASTOR PARTICIPATION



Solidarity

Our business operations are rooted in local service provision. Therefore, we support the engagement of our employees and businesses in sponsoring civic projects and in combating social exclusion. Particularly via the VINCI Foundations across the globe.

Solidarity initiatives of VINCI Energies around the world

As a group, VINCI Energies focuses on children in all its solidarity activities around the world. On their health, by supporting Mécénat Chirurgie Cardiaque. On their education, by supporting projects that provide children with access to education in a number of different countries. For these activities we mobilise our 1,900 business units.

INITIATIVES-COEUR

Since 2017, VINCI Energies has been sponsoring a humanitarian sports project: Initiatives-Cœur. This project involves cooperation with the charity Mécénat Chirurgie Cardiaque Enfants du Monde to help children with heart defects who cannot have an operation in their own country. The Initiatives-Cœur sailing yacht participates in renowned races and the financial support from partners provides Mécénat Chirurgie Cardiaque with plenty of media attention and helps to make the general public aware of this cause. The most recent race - Vendée Globe - saved 60 children.

SPONSORED BY UNICEF*

VINCI Energies works to support future generations with their learning and education needs. Therefore, we signed a four-year partnership agreement with UNICEF France to support education projects in Benin, Brazil, and East Timor. These projects will provide quality education to thousands of vulnerable children via access to the digital world.
We strive to produce an all-round performance in everything we do. Besides technical, economic and financial considerations, social, societal and environmental dimensions also play a role. We notice how learning and training produce strong development in our employees. Therefore, and because education reduces inequalities and promotes local development, it is a logical step for us to support UNICEF by means of this partnership.

* UNICEF does not endorse any company, brand, product or service.

VINCI FOUNDATION IN THE NETHERLANDS

The VINCI Foundation NL has been active in the Netherlands since 2014. All VINCI Energies business units in the Netherlands support the initiative to promote the principle that everyone in our society deserves his or her own place, role and dignity. It goes without saying that in our daily operational activities we take account of the society we live and work in and that we make it accessible to all. With personal coaching from employees and with financial resources, the foundation supports organisations that pursue a social and societal aim.

VINCI Foundation NL and Ukraine

In 2022, the VINCI Foundation issued a special call to help Ukrainian refugees to make their stay in the Netherlands as comfortable as possible. Two great projects that received support:

DIVERZ SUPPORTED WITH HELP FOR UKRAINIAN REFUGEES

Diverz is an organisation that works for viable neighbourhoods and the wellbeing of everyone in Zwijndrecht. As of 2022, that includes a group of Ukrainian refugees. Together with residents, volunteers and other support organisations, Diverz is doing everything in its power to assist the 150 refugees in Zwijndrecht in the best possible way. By providing accommodation, but also by providing resources that make their stay in the Netherlands just that little bit easier. The VINCI Foundation supported Diverz with a range of resources – including laptops, table-tennis tables and sports clothes - that are simply essential. This solidarity initiative was submitted by Pieter Visser, who works for Verkerk and who is a sponsor of project Diverz.

EASIER FOR UKRAINIAN CHILDREN TO ATTEND SCHOOL

Harald van den Bighelaar works for Axians and heard that the Deken Wehmeijerschool in Velddriel, which his own children attend, was designated to help the children of Ukrainian refugees. The school had a massive need for digital teaching materials. They are essential in this school, as the digital maths method adjusts to the level of the student. With support from the VINCI Foundation and two teachers from Ukraine, the school is able to provide proper education to these children in an unfamiliar environment. Support from the VINCI Foundation enabled the school to purchase 20 laptops and an interactive whiteboard. It ensures that it is easier for students to access study material in Ukrainian.

FOOTBALL WORKSHOP WITH A NEW LOOK

The football workshop Wageningen, a learning-working site of the foundation Stichting 's Heeren Loo for young adults with a mild intellectual disability, is centred on the future of its clients. They develop their skills on the basis of their own preferences and competencies, at their own pace and in their own way. The workshop is a fantastic entry place. The football workshoppers learn to fit in and gradually they acquire more responsibility and self-confidence. Thierry Lamain, business unit manager of Axians and a sponsor of this project, submitted an application to the VINCI Foundation to support the foundation with the purchase of football kits.

UNIQUE DINING WITH THE NEIGHBOURS: COOKING AND EATING TOGETHER CREATES A BOND

Cooking and eating together creates a bond. The foundation Stichting Uniek Uden started a cooking initiative for residents and neighbours. The centre of Uden acquired a 'unique' living initiative. A house with flats and communal areas for young adult women with a mild intellectual disability. It was set up by a number of parents to provide their daughters with a safe living environment and to increase their self-sufficiency. The housing facility is located in an area with many older people. The foundation aims to bring the generations together by organising a recurring cooking activity for the residents in the neighbourhood. With that bond, the foundation aims to prevent loneliness amongst senior citizens and the daughters. VINCI Foundation supports this initiative with kitchen materials.

JINC BREDA PROVIDES YOUNG PEOPLE WITH A GOOD START

Every child has talent. Therefore, JINC works together with companies and schools for a society where your future is not determined by your background. In Breda, some 4,000 children grow up in poverty. The absence of role models and the right network means these children have fewer opportunities to discover and use their talents. That makes it more difficult for them to make the right choices for a good future. With vocational guidance on the work floor, by teaching social and other skills and by providing workshops on entrepreneurship, JINC can provide these young people with a good start in the labour market. VINCI Foundation supports the furnishing of a new meeting centre.

GOVERNANCE

Comply with ethical principles

Our reputation and ethical conduct are key to securing orders and to shaping our relationship with our clients. Our business units apply our Code of Ethics and Conduct and Anti-Fraud Code, and the VINCI guidelines for social and human rights, and health and safety all over the world. We commit to ensure total transparency in our own practices and in those of our subcontractors and suppliers.

Therefore, we ask our business contacts to respect those codes and to confirm this in questionnaires and audits and by accepting the VINCI Supplier Global Performance Statement in the Vendor Portal. In the context of the VINCI Anti-Fraud Code, the European Directives and Dutch legislation in the area of financial supervision, money laundering and economic crimes, our most important clients, subcontractors and suppliers are asked to cooperate on a Third-Party Analysis Tool.

In training and e-learning programmes for management and employees who maintain commercial relationships, the importance of ethical business operations, integrity, and preventing conflicts of interest is reiterated once more. All managers receive and confirm the Code of Ethics and Conduct and the Anti-Fraud Code with the ComEth application, which is connected real time with the personnel organisation structure.

Every year, our business units prepare a Corruption Risk Index, which tracks the relationships with clients and suppliers. It goes without saying that information security is an important principle for undertaking operational activities. Our stake-holders can rely on the fact that data of whichever nature will be treated confidentially.

All the listed risk-management measures are subject to an integrity or whistle-blower's scheme, which enables and encourages all employees to report all breaches of their personal or organisational environment. They enjoy expressing protection of their career.

Design and build

Our infrastructure, industrial processes, buildings, ICT solutions and other projects often serve the general public and the common good. We therefore strive to properly involve clients, partners, suppliers, elected officials, local residents and social organisations in our projects. That is how we create and maintain commitment to the way we implement our projects.

In our company we involve works councils in our plans and encourage their role in co-determination and developing the company. By connecting with employers' organisations, such as Techniek Nederland, Digital NL and VNO/NCW, we are also piloted by shared insights and interests. Our membership of CSR Netherlands highlights the way we embrace the Manifesto, just as our employees' membership of their professional associations. Finally, the required certification and accreditation, such as for information security, environment, ethics, risk management, being a good employer, and responsible construction, such as BREEAM, Madaster and WELL, play an important role in the dialogue with our stakeholders and the communication with social organisations.

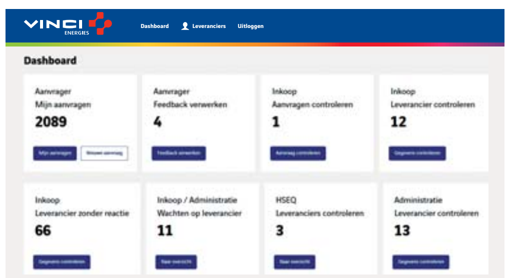
CYBERSECURITY STARTS WITH EMPLOYEES' AWARENESS AND KNOWLEDGE

Information security is one of the pillars of our business operations. All our business units process increasing quantities of data. Data storage and sharing - be that internal or external - demand more and more suitable security measures. Password policy and workstation set-up are just two examples. We work continuously to comply with the information-security policy and the applicable frameworks. The awareness of our employees is an inseparable part. Therefore, we pay a great deal of attention to training, information and compliance in this area. A growing number of our business units - 25 out of 65 - is ISO 27001 certified and 8 business units are NEN7510 certified. Each of our companies has an employee who is responsible for compliance with the GDPR. Every employee is obliged to complete the e-learning Cybersecurity.

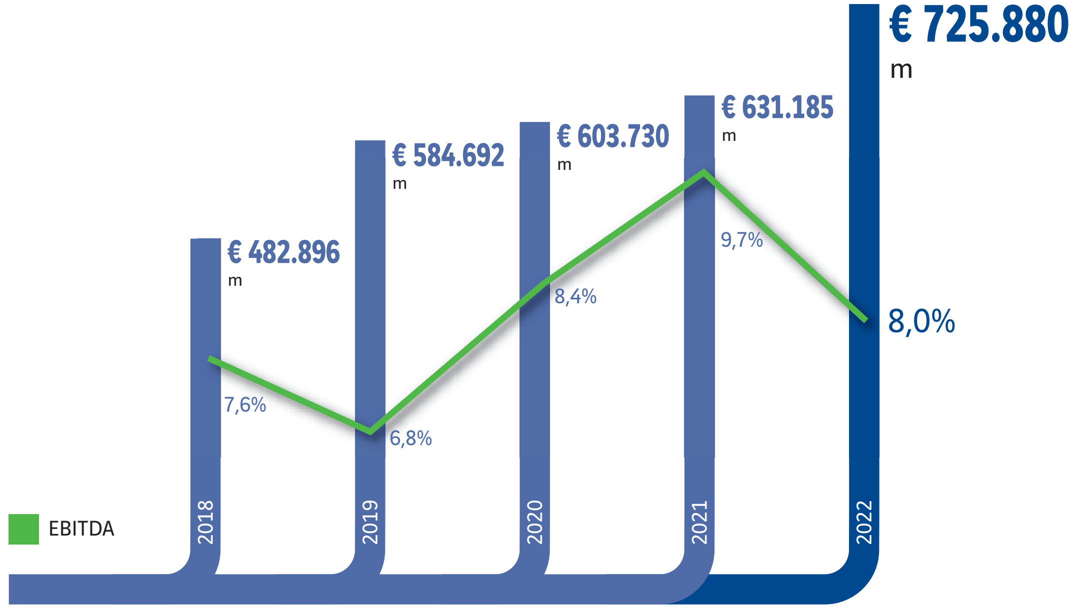
VENDOR PORTAL

Via our Vendor Portal, our business units independently monitor and manage data of suppliers and partners, including name and address details, company number, VAT, IBAN, and all the safety and quality certificates; it is uniform, digital and active. With the increasing attention to governance & compliance it is essential to check these data before we do business. In the decentralised structure of our company, we make sure that we have an efficient approach to suppliers and partners. We prevent the various businesses from reinventing the wheel, we create a reduced administrative burden and we comply with governance & compliance.

As of 2016, 2,131 of our new suppliers completed the Vendor Portal, 1,503 were accepted and finished, 496 did not comply with our compliance rules and 132 are still in the process of approval.



6 REPORT ON THE FINANCIAL STATEMENTS FOR THE YEAR



REVENUE BY BUSINESS LINE

5%	36%	19%	40%
Infrastructure	Industry	Building Solutions	ICT

>3400 employees

>65 business units

2 countries

INDUSTRY
INDUSTRIAL PROCESSES

Consultancy / Plant & Process Design / Industrial Automation / Logistic Automation / Industrial Installation / Industrial Systems / Maintenance / Mechanical and Robotics

36%

INFRASTRUCTURE
ENERGY TRANSITION

Technical equipment and management systems / Renewable energies and storage Electric mobility / Projects and maintenance on high, medium and low voltage

5%

ICT SOLUTIONS & SERVICES
INFORMATION & COMMUNICATION

Business Analytics / Business Applications / Cloud Services / Collaborative Solutions / Converged Infrastructure & Datacenters / Core Network / Enterprise Network / Mobility Solutions/ Security / Internet of Things

40%

BUILDING SOLUTIONS
BUILDINGS, PEOPLE & ENVIRONMENT

Electrical systems / Heating, Ventilation, Air Conditioning / Building Protection, / SMART building / Maintenance

19%

6.1 Highlights of the period

MAURICE ROYEN,
CHIEF FINANCIAL OFFICER ABOUT THE HIGHLIGHTS

Acquisitions & divestments

Acquisition VerAutomation B.V. and VerAutomation Montage B.V.
100% of the shares of Verautomation was acquired on January 3, 2022, with the Group's financial resources for an amount of €6,703,243. Verautomation B.V. founded in 1997 and Verautomation Montage B.V. founded in 2017 are vested in Middelbeers with an annual revenue of €12.5 million and employs 85 people. The expertise of these companies as system integrator for industrial automation and panel assembly strengthens the Actemium's market positioning in the industrial market segment.

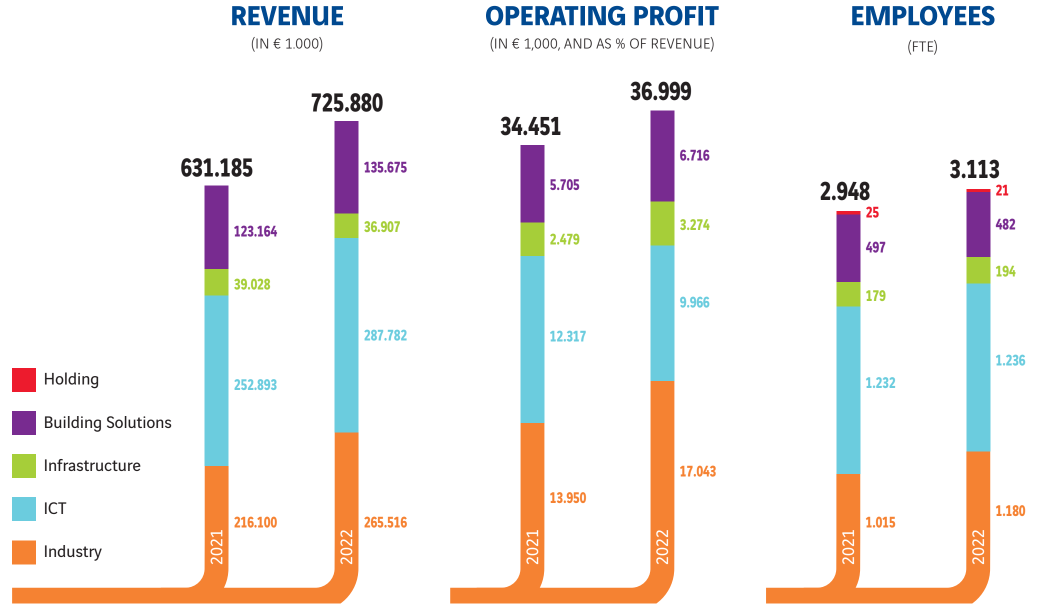
Acquisition Aqualectra B.V.
100% of the shares of Aqualectra Beheer B.V. and Aqualectra B.V. was acquired on May 6, 2022, with the Group's financial resources for an amount of €10,757,930. The company, located in Heerhugowaard, has its origin in 1981 and realizes an annual revenue of €20 million with 112 employees. This company strengthens VINCI Energies Netherlands' market position as a specialized manufacturer of high-quality electrical panels and provider of knowledge, services and comprehensive solutions for energy distribution, control technology, utility building automation and industrial automation.

Acquisition de Jong engineering B.V.
100% of the shares of de Jong engineering B.V. was acquired on August 29, 202, with VINCI Energies Netherlands B.V.'s own financial resources for an amount of €2,078,904. The company, located in Hedel, has its origin in 2003 and realizes an annual revenue of €2.2 million with 18 employees. This company is specialized in Robotica and Cobotica and strengthes the competitive position in the industry market segment.

Acquisition Schilt Airconditioning B.V., Schilt Luchtkanalen B.V. and Schilt Luchttechniek B.V.
100% of the shares of Schilt Airconditioning B.V., Schilt Luchtkanalen B.V. and Schilt Luchttechniek B.V. was acquired on November 29, 2022, with VINCI Energies Netherlands B.V.'s own financial resources for an amount of €19,295,000. The companies, located in Meerkerk, has its origins respectively in 1996, 1987 and 1996.
Schilt realizes an annual revenue of €30.1 million with 105 employees. The companies are specialized in heating, ventilation and air-conditioning and contributes to improving the competitive position in the building solutions market segment.

Acquisition assets and liabilities Technip EPG B.V.
Energy & Infra Engineering B.V. has acquired the assets and liabilities of Technip EPG B.V. on October 25, 2022, for an amount of €1,020,500. The company was founded in 1980 and is located in Den Bosch. The revenue of €1.7 million is realized with 15 employees. The expertise in electrical engineering on high voltage design and construction projects, is a strong contribution to the infrastructure market segment.

Acquisition assets and liabilities RCO Tilburg B.V.
Plant Solutions Zuid-Oost B.V. has acquired the assets and liabilities of RCO Tilburg B.V. on November 30, 2022, for an amount of €693,739. The company was founded in 2013 and is in Tilburg. The revenue of €1.3 million is realized with 8 employees. RCO Tilburg is specialized in Robotica and Cobotica and its expertise is complementary towards the other automation business units.



Consolidated revenue

Consolidated revenue totalled €726 million, up 15% relative to 2021. The organic growth compared to 2021 was 10.0%.

Revenue by segment has developed as follows:

(in €1,000)	2022	2021	Increase	2022/2021 change Total	Organic
Industry	265,516	216,100	49,416	22.9%	8.4%
ICT	287,782	252,893	34,889	13.8%	13.8%
Infrastructure	36,907	39,028	(2,121)	(5.4%)	(5.4%)
Building Solutions	135,675	123,164	12,511	10.2%	10.2%
Revenue	**725,880**	**631,185**	**94,695**	**15.0%**	**10.0%**

Industry revenue totalled €264 million, up 22.2% on an actual basis. Like-for-like we see an increase in revenue of 7.7% mainly due to increase in activity and inflation. The increase at **ICT** segment is mainly explained by increase in sales, development of foreign currency and inflation. At **Infrastructure** we see an increase in investments by power grid companies, however some projects started with a delay. **Building Solutions** revenue increased 11.4% compared to 2021. The increase is mainly caused by the larger projects at Bosman Bedrijven, general improvement of the building solutions market and inflation.

Operating profit

Operating profit by segment has developed as follows:

(in €1,000)	2022	% of revenue	2021	% of revenue	2022/2021 change Value	%
Industry	17,043	6.4%	13,950	6.5%	3,093	22.2%
ICT	9,966	3.5%	12,317	4.9%	(2,351)	(19.1%)
Infrastructure	3,274	8.9%	2,479	6.4%	795	32.1%
Building Solutions	6,716	5.0%	5,705	4.6%	1,011	17.7%
Holding	(504)		4,743		(5,247)	(110.6%)
Total	**36,495**	**5.0%**	**39,194**	**6.2%**	**(2,699)**	**(6.9%)**

Operating profit (as a percentage of net turnover) in 2022 was 5%, which is higher than in 2021 (6.2%).
For Industry, the operating profit amounts to 6.4% and is slightly less compared to 2021 (6.5%). For ICT operating profit shows with 3.5% a decrease compared with 2021 (4.9%). The decrease in 2022 is mainly due pressure on the market due to currency effects. The integration and reorganisation of Koning & Hartman is in its final phase and had a negative effect on the results. This effect was foreseen during the due diligence. For Infrastructure operating profit 2022 (8.9%) has increased compared to 2021 (6.4%). This is explained by better control and less inefficiencies on large projects in the power and grid.
For Building Solutions operating profit is with 5.0% higher than in 2021 (4.6%). This increase in operating profit is mostly coming from better market conditions.

Workforce

The number of employees increased in 2022 with 5.6% compared to 2021 (0.1%) and is lower than the increase in revenue. The cost of labour decreased related to revenue with 2.3% and increased with 7.9% compared to 2021. The average cost of labour per full time equivalent increased with 2.2% compared to 2021. Whereas the cost of materials and subcontracting increased relatively with 4.9%, indicating a decrease in the labour part of the projects. The number of employees measured in full time equivalents increased at the ICT segment with 0.3%. The number of employees in Building Solutions decreased with 3.0%. In 2022 the increase in number of employees in the industry segment is 16.3%. At Infrastructure, the growth in the number of employees was relatively high with 8.5%.

>3400
employees

Net income

Consolidated net income attributable to the owners of the parent was €28.7 million in 2022, up 8.7% or €2.3 million compared with 2021 (€26.4 million). Net income as percentage of revenue 3.9% decreased in 2022 compared to 2021 (4.2%). The return on group equity, as in net result in relation to equity, equals 24.0% for 2022 compared to 25.4% for 2021.

Net financial surplus (debt)

(in €1,000)	2022	2021	2022/2021 change Value	%
Cash held in VINCI S.A. cash pool	40,465	66,212	(25,747)	(38.9%)
Cash	8,202	4,923	3,279	66.6%
Trade and other receivables	129,711	105,946	23,765	22.4%
Long term debt	(71,234)	(74,392)	3,158	(4.2%)
Long term debt < 1 year	(25,365)	(22,637)	(2,728)	12.1%
Trade and other payables	(77,939)	(59,985)	(17,954)	29.9%
Total	**3,840**	**20,067**	**(16,227)**	**(80.9%)**

Cash flows

Cash flows from operating profit increased with 1.8% to €46.9 million compared to 2021. Working capital increased slightly with €3.5 million mainly because of the increase in trade receivables position with €23.8 million and contract assets with €39.6 million compared to 2021. This increase is partly explained by the acquisitions realised in 2022: €12.6 million for accounts receivables and €19.4 million for contract assets.
The level of trade and other payables increased with €18 million and contract liabilities increased with €26.6 million. The impact caused by external growth was respectively € 2.7 million and €16.6 million.
Operating cash flows also were positively impacted by lower level in current provisions of €2.6 million.
Investment cashflow has increased significantly due to the acquisitions closed in 2022.
Financing cashflows are higher than in 2021 due to higher reimbursement of the loans to the VINCI SA Group in 2021. New loans were remitted in 2022 by VINCI Energies leading to higher repayment and dividend was paid to our shareholder (€13.5 million). Financial income was affected positively due to foreign currency gains.

Balance sheet and net financial debt

Consolidated non-current assets amounted to €218.3 million on 31 December 2022 (€187.4 million at 31 December 2021).
Net working capital decreased with €19 million from €12 million at 31 December 2021 to minus €7.0 million at 31 December 2022. Current assets increased with €33.4 million, mainly by an increase in trade receivables and increase in contract assets and decrease in cash and cash equivalents. Current liabilities increased €52.4 million, mainly by an increase in trade payables, short term loans, contract liabilities and other accrued expenses.
The consolidated equity was €119.5 million at 31 December 2022, up €15.2 million from €104.3 million at 31 December 2021. The movements in equity consist mainly of the addition of the profit for the year and a decrease for the dividend of €13.5 million paid to our shareholder.
Consolidated net financial position decreased by €4.0 million to €13.5 million at 31 December 2022 (€17.5 million at 31 December 2021). That reflects long-term gross financial debt of €96.6 million (€97 million at 31 December 2021) offset by cash of €48.7 million (€71.1 million at 31 December 2021). The decrease is mainly due to acquisitions and distribution of dividends. Consolidated solvability is with 24.1% in 2022 nearly on the same level as 2021 (24.2%).
The financial surplus-to- EBITDA ratio stood at 0.06 at the end of 2022 compared with 0.32 financial debt-to-EBITDA ratio at 31 December 2021.

6.2 Risk factors and risk management

The risk assessment process at VINCI is an assessment of key risks of all types (strategic, operational, staff, financial, etc.), that the entities may encounter in the context of their business activities. Instructions and guidelines are set by the Executive management, securing decision-making and the risk process management defines a risk when the sum of likelihood and impact are above a certain threshold. These thresholds are derived from the willingness whether to take measures to mitigate such risk, enhancing control of business activities. This degree of willingness is also called risk appetite. In general, risk appetite of VINCI Energies Netherlands B.V. is based on prudency and focussed on vigilance with reference to the Group's Internal Control Manual and fostering a shared view among employees of the principal risks encountered.

In addition to the strategic, operational and functional challenges addressed elsewhere in this directors' report, the interest rate risk, the liquidity risk and the credit risk are the main financial risks the entity is exposed to.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates primarily relates to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

A significant risk is related to purchases being made in USD currency. The Group manages foreign currency risk by hedging USD amounts to be paid in the future. As a result, the total impact is limited.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to this risk primarily relates to the Group's long-term debt obligations with floating interest rates. The Group manages interest rate risk by only obtaining intragroup loans, based on Euribor and a fixed incremental percentage. The variable component is a policy that the Group in the Netherlands accepts as an interest risk.

Liquidity risk and cash flow risk

The liquidity and cash flow risk are considered to be low, as the Group is financed through intercompany loans from VINCI S.A., being a well-funded, financially healthy organisation. Periodically, liquidity forecast is prepared. Liquidity risks are controlled through continuous monitoring of the cash developments. Any restricted availability of cash, along with bank guarantees are taken into account in the liquidity forecast.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or client contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Client credit risk is managed by each business unit and subject to the Group's established policy, procedures and control relating to client credit risk management. Credit quality of a client is assessed by an extensive credit rating scorecard and individual credit limits are defined accordingly. Outstanding client receivables and contract assets are monitored regularly.

The Group has a limited concentration of credit risk because of the limited number of very large projects.

The Group is considering the concentration of credit risk with respect to trade receivables and contract assets as low, as the Group has both public and private clients. The private clients are operating in several industries and in largely independent markets. Per reporting date, the Group considers the credit risk of accounts receivables and contract assets after initial recognition as low, based on the credit risk assessment policies in advance of acceptance of new clients. Overall, a major part of the trade receivables is concerning Dear Old Clients (DOC) on which the credit risk is very limited, based on the standing long-term relationships and status of these clients. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses on trade receivables and contract assets. The provision rates are based on days past due for groupings of various client segments with similar loss patterns (i.e., by geographical region, product type, client type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation is reflecting the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions, and forecasts of future economic conditions. In general, trade receivables are depreciated if past due for more than 90 days and when not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets:

(in € thousands)	**As at 31 December 2022**	**As at 31 December 2021**
Debt instruments at amortised cost		
Trade and other receivables	129,711	105,946
Prepaid expenses	16,337	29,166
Loan to non-consolidated company	266	260
Minority interest in non-consolidated company	404	292
Total financial assets*	**146,718**	**135,664**
Total current	146,048	135,112
Total non-current	670	552

* Financial assets, other than cash and short-term deposits

The significant increase in trade receivables is due acquisitions, to momentum of invoicing after reaching milestones of large projects and the effect of earlier payment at year-end 2021.
In general, trade receivables are depreciated if past due for more than one year and when not subject to enforcement activity.

Cyber risk

The digital transformation of VINCI Energies Netherlands' business lines promises numerous development opportunities. However, they also bring new risks and threats. With the proliferation of communication channels, the exposure to cyber risks has increased and greater pressure is being brought bear by regulators.

Information security measures are protecting business information from a wide range of threats and must ensure business continuity, minimise business risks and raise return on investment and business opportunities.
Within VINCI Energies Netherlands' business units, Information Security is achieved based on a structured assessment of business risks, determining, implementing, monitoring, assessing, maintaining and improving information security.

We have appointed a Security Officer working on Data Protection, Data Security Measures and GDPR. The implementation of ISO27001 in many of our business units is facilitated by the security officer as well. Furthermore, we have set up guidelines and best practises for the prevention of information security incidents. In collaboration with the business IT-teams, awareness and knowledge sessions have been organised in the business units. The information security topic has also been added to the onboarding program for new employees.

Geopolitical

The war between Russia and Ukraine and the sanctions imposed internationally will have economic consequences. The prices of gas and oil are rising extremely sharply, which influences energy prices. This in turn leads to high inflation. The scarcity of materials, which started in 2020, will lead to a further decline in the economy.
The Business Units and brands of VINCI Energies in the Netherlands follow strict risk management guidelines to monitor and guarantee the continuity of the operational activities. For the time being, based on the current situation, there is no impact on our business, nor regarding suppliers, personnel or cyber-security threats. As part of the listed VINCI, we follow the group's guidelines regarding the measures and sanctions imposed by the EU.

6.3 Trends

The Dutch economy had grown by 4.5% in 2022 . With the growth in 2021 of 4.9%, this is an unprecedented development. The disruptive effect of the Corona pandemic and the ongoing war between Russia and Ukraine has pushed up inflation. The record level of inflation has apparently not stopped households from continuing to consume. According to Statistics Netherlands, consumers' continuing desire to buy has contributed to more than half of the economic growth. Despite the higher prices, more goods and services were purchased. In 2022, 441,000 jobs have been added. Labor productivity (GDP) per hour worked has increased much less. Salaries have not risen as fast as inflation. Partly because of this, the pressure on the labour market has only increased. The continuing aging of the population, the reduced supply of technical personnel from education and the increasing demand for personnel are leading to this overstrain in the labour market. The call for salary adjustment can lead to a salary price spiral development. It is becoming increasingly difficult to recruit qualified technical personnel. Staff retention is our primary focus.
De Nederlandsche Bank (DNB) expects that GDP will rise from 4.8% in 2022 to 0.8% in 2023. Corporate investment is also expected to shrink by 0.8%. They expect the number of job seekers to grow faster than the growth in jobs and that the rise in negotiated wages will increase by 5% in 2023. Due to the compensation of energy costs, DNB expects the budget deficit of GDP to rise to 3%. Inflation is expected to have peaked at 11.5%. Partly thanks to the price cap for gas and electricity, inflation is expected to fall to 4.9% in 2023. Rising interest rates make borrowing more expensive. This will influence sustainable investments. Companies may consider postponing investments.
According to Statistics Netherlands, companies are spending more and more on environmental investments. This mainly concerns investments to improve air quality and a cleaner energy supply, such as air filters, catalytic converters, wind turbines and solar parks. The Dutch energy grid is becoming overloaded, and it is becoming increasingly difficult to meet the increasing energy demand. Electrification will play a key role in making the industry more sustainable. Investment in the energy transition will continue to increase in the coming years. The capacity to meet this increasing investment demand will be a bottleneck.

6.4 Outlook

The primary focus for 2023 will be the integration of the recent acquired companies. Following the successful implementation of ERP and reporting systems. We will continue our focus at the acquisition of companies that complement our portfolio and strengthen our market position. Our focus is mainly on the further expansion of engineering capacity in the Industry and Infrastructure segments.

We expect revenue to grow by 6.3% in 2023 compared to 2022. We believe this expectation is realistically cautious, considering the expected economic growth. The operational result will be relatively unchanged compared to 2022. The pressure on the market for qualified personnel is increasing. As inflation is high, mainly due to higher energy prices, the impact of the Russian/Ukrainian war and scarcity of critical materials, we expect that increases in wage costs will be inevitable. We expect that the organic increase in number employees will be 6.7%.

The order book at the end of December 2022 amounts € 386 million and the market opportunities for 2023 are promising, despite the inflation, geopolitical situation, tense labour market and longer lead time on materials.

Outlook by business segment

We expect revenue to grow slightly organically in 2023 compared to 2022. The growth will come mainly from acquisitions done in 2022. Overall, revenue is expected to grow by 10% in 2023. Order book at the end of 2022 was € 107 million, or 40% of the annual revenue.
With the focus on the market segments oil & gas, food, breweries & drinks, feed, chemicals and pharmaceuticals, logistics and manufacturing, we continue to focus on developing powerful solutions for clients. This concerns production security, product safety, operational excellence and cost efficiency. The use of functional innovations, optimal protection aimed at the client's environment via cyber security, intelligent and integrated data systems, more industrial security, sophisticated maintenance solutions and smart virtual and augmented reality tools. Working with the client on solutions to an optimally performing production environment. Due to increase of expected investments customers share their investment plans in an early stage to assure resources for the construction of their (new) plants.

For ICT, concerning solutions & services and telecom solutions & services and barring exceptional events we are aiming to increase revenue, although more limited than in 2022. As our client base and recurring revenue base remains strong within the segments Dynamic Infrastructures, Business Applications, Intelligent Apps and Telecom Services & Solutions we are confident this will also have a positive impact on our operating margins. We will continue to partner with our clients to improve lives of people, of citizens living in cities, of shoppers seeking a better experience, of teachers and students achieving inspiring results, of patients expecting better care. We keep the wheels of industry, business and people moving and communicating across the world. Order book at the end of 2022 was € 99 million, or 31% of the annual revenue.

The infrastructure market segment is undergoing significant changes due to the energy transition. In the coming years a lot will be invested in the infrastructure of energy distribution. The demand for projects and project-based maintenance in the field of high, medium and low voltage by network managers and owners and by energy producers, as well as for other producers who consume or generate energy themselves, has increased enormously. The Russian/Ukrainian war has sped up the energy transition. The challenge will mainly be to have the right employees on board. Revenue is expected to be 20% higher than 2022. Order book at the end of 2022 was € 49 million, or 93% of the annual revenue.

We expect for Building Solutions that revenue in 2023 will be 20% higher than the previous year, mainly driven by the acquisition of Schilt at the end of 2022. We see that projects are taking longer to realize, due to scarcity of critical materials and pressure on the labour market. The order book is at a healthy level for all business units, which means that we are confident about the coming months and years. Order book at the end of 2022 was €146 million, or 81% of the annual revenue.

6.5 Post-balance sheet events

Divestment of Bostec B.V.
The decision has been made to sell Bostec B.V. to Arlande Beheer B.V. The annual revenue of this company amounts €2.8 million and employing 27 employees. The consultancy activities of Bostec focusses on creating process optimization. These activities are no longer considered as a strategic fit. The size and strategic directions make the company vulnerable and sensitive to the economy. Bostec B.V. will have a better fit with Arlande Beheer B.V.

Dividend payment
The board has decided to pay €17 million dividend to VINCI Energies S.A. The payment of dividend has been executed.

7 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR 2022

7.1 Consolidated Profit and loss account for the year ended 31 December 2022

(in € thousands)	Note	2022	2021
Revenue from contracts with clients	10	725,880	631,185
Cost of sales	10	(487,734)	(407,537)
Gross profit		**238,146**	**223,648**
Other income			1,923
Distribution costs	11	(117,250)	(101,639)
Administrative expenses	11	(24,763)	(31,050)
Other operating expenses	11	(59,638)	(53,688)
Operating profit		**36,495**	**39,194**
Finance cost	12	(359)	(711)
Finance income	12	1,255	86
Share of profit of a joint venture	8	343	195
Profit before tax		**37,734**	**38,764**
Income tax expense	13	(9,081)	(12,275)
Profit for the year		**28,653**	**26,489**
Attributable to:			
Owners of the parent		**28,653**	**26,489**

7.2 Consolidated statement of comprehensive income for the year ended 31 December 2022

(in € thousands)	2022	2021
Profit for the year	**28,653**	**26,489**
Other comprehensive income		
Exchange differences on translation of foreign operations		
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods		
Remeasurement gain/(loss) on defined benefit plans		
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods		
Total comprehensive income for the year, net of tax	**28,653**	**26,489**
Attributable to:		
Equity holders of the parent	28,653	26,489

7.3 Consolidated balance sheet as at 31 December 2022

(in € thousands)	Note	31 December 2022	31 December 2021
Assets			
Non-current assets			
Intangible assets	14	24,363	22,839
Goodwill	15	120,255	98,203
Property, plant and equipment	16	34,723	28,319
Right-of-use assets	17	28,904	28,794
Non-current financial assets	18	670	552
Deferred tax assets	19	9,365	8,740
Total non-current assets		**218,280**	**187,447**
Current assets			
Inventories	20	10,373	6,301
Trade and other receivables	21	129,711	105,946
Contract assets	21	71,521	31,919
Derivative financial assets	18	1,234	
Other current financial assets	21	16,337	29,166
Cash and cash equivalents	22	48,667	71,135
Total current assets		**277,843**	**244,467**
Total assets		**496,123**	**431,914**
Group equity			
Share capital	§7.5	113	113
Share premium	§7.5	53,700	53,700
Other reserves	§7.5	37,008	24,019
Result for the year	§7.5	28,653	26,489
Total group equity		**119,474**	**104,321**
Liabilities			
Non-current liabilities			
Non-current provisions			
Employee benefits	23	4,688	4,767
Loans and borrowings	24	53,590	49,500
Lease Liabilities	25	17,644	24,892
Deferred tax liabilities	19	15,882	15,983
Total non-current liabilities		**91,804**	**95,142**
Current liabilities			
Current provisions	26	9,447	11,998
Trade and other payables	27	77,939	59,985
Loans and borrowings	28	14,065	9,000
Contract liabilities	29	116,491	89,875
Lease Liabilities	25	11,300	13,637
Current tax liabilities	30	15,508	16,711
Derivative financial liabilities	18	54	9
Other liabilities and accrued expenses	31	40,041	31,236
Total current liabilities		**284,845**	**232,451**
Total liabilities		**376,649**	**327,593**
Total equity and liabilities		**496,123**	**431,914**

7.4 Consolidated cash flow statement for the year ended 31 December 2022

(in € thousands)	Note	2022	2021
Consolidated operating profit		**36,495**	**39,194**
Adjustments for:			
Depreciation and amortisation	14, 16, 17	23,538	22,200
Movement in working capital			
Trade and other receivables	21	1,318	(37,466)
Inventories	20	(1,730)	(1,656)
Trade and other payables	27,31	14,292	16,036
Current provisions	23,26	(3,298)	1,128
Contract assets	21	(36,505)	9,021
Contract liabilities	29	26,262	10,269
Cash generated from operations			
Income taxes	13	(11,515)	(12,642)
Net cash flows (used in)/from operating activities		**48,857**	**46,084**
Investing activities			
Acquisition of subsidiary, net of cash acquired	14, 15	(23,442)	(2,298)
Dividends paid to company's shareholders	§7.5	(13,500)	(15,000)
Dividends received joint venture		343	193
Purchases of property, plant and equipment	16, 17, 25	(1,005)	(2,657)
Sale of property, plant and equipment	16	4	402
Others		(120)	(63)
Net cash (used in)/from investing activities		**(37,720)**	**(19,423)**
Financing activities			
Repayments of loans and borrowings	28	(9,670)	(4,500)
Decrease in lease loans and borrowings	25	(24,831)	(16,081)
Finance income	12	1,255	86
Finance expense	12	(359)	(556)
Net cash (used in)/from financing activities		**(33,605)**	**(21,051)**
Net decrease in cash and cash equivalents		**(22,468)**	**5,610**
Cash and cash equivalents at beginning of year		71,135	65,525
Cash and cash equivalents at end of year		**48,667**	**71,135**

7.5 Consolidated statement of changes in equity for the year ended 31 December 2022

(in € thousands)	Share capital	Share premium	Other reserves	Result for the year	Total equity
Balance as at 1 January 2022	**113**	**53,700**	**24,019**	**26,489**	**104,321**
Appropriation of the result of preceding year			26,489	-26,489	0
Net income for the period				28,653	28,653
Dividends			(13,500)		(13,500)
Balance as at 31 December 2022	**113**	**53,700**	**37,008**	**28,653**	**119,474**

Consolidated statement of changes in equity for the year ended 31 December 2021

(in € thousands)	Share capital	Share premium	Other reserves	Result for the year	Total equity
Balance as at 1 January 2021	**113**	**53,700**	**18,978**	**19,389**	**92,180**
Appropriation of the result of preceding year			19,389	-19,389	0
Net income for the period				26,489	26,489
Merger financial assets			652		652
Dividends			(15,000)		(15,000)
Balance as at 31 December 2021	**113**	**53,700**	**24,019**	**26,489**	**104,321**

The notes on page 76 till 117 form an integral part of the financial statements.

Notes to the consolidated financial statements for the year 2022

8 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR 2022

8.1 Corporate information

The consolidated financial statements of VINCI Energies Netherlands B.V. ("the Company") and its subsidiaries (collectively "the Group") were authorized for issue by the Board of Directors on 18 May 2023 and will be submitted to the Shareholders' General Meeting for approval on 16 May 2023.

The activities of VINCI Energies Netherlands B.V., with Chamber of Commerce number 16039815 having its legal seat at Mountbattenweg 19 in Veghel, The Netherlands, and its group companies primarily consist of the delivery of multi-technical services in the area of Energy and Information Technology via the brand names: Actemium, Axians and Omexom and several local brands.

The Company is a wholly owned subsidiary of VINCI Energies S.A. located in Montesson, France. Ultimate parent company is VINCI S.A. ('VINCI'), Montesson, France. The financial statements of the Company are included in the consolidated financial statements of VINCI S.A., which are publicly available on the website of VINCI (www.vinci.com). Other subsidiaries of VINCI S.A. are referred to as affiliated companies. Information on the Group's structure is provided in note 8.

8.2 General accounting policies and use of estimates

1. Basis of preparation

The consolidated financial statements of VINCI Energies Netherlands B.V. and its subsidiaries for the period ended 31 December 2022 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and endorsed by the EU.

The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments. Income and expenses are accounted for on accrual basis. Profit is only included when realised on the reporting date. Losses are recognised as soon as they become apparent.

The consolidated financial statements are presented in thousands of euros and all values are rounded to the nearest thousand (€000).

2. Basis of consolidation

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

The financial information of VINCI Energies Netherlands B.V. is included in its consolidated financial statements, therefore the company profit and loss account mention the results from participating interests after tax thereof as a separate item.

Joint arrangements
The Company has applied IFRS 11 to all joint arrangements. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. Joint operations arise where the Company has rights to the assets and obligations for the liabilities of an arrangement. Where the Company is a direct investor in a joint operation, the Company accounts for its share of the assets, liabilities, revenue and expenses. If a joint operation is held through a subsidiary, such assets, liabilities, revenue and expenses are subsumed in the subsidiary's net asset value. Joint ventures arise where the investors have rights to the net assets of the arrangement; joint ventures are accounted for under the equity method. The Group has Joint Ventures with limited activities in which a 50% shareholding is held. If there is a result in these Joint Ventures, the 50% share will be reported in the company that is involved in this Joint Venture.

Investments with significant influence (associates) and joint ventures
Investments in which the Company has significant influence on the financial and operational policies (generally accompanying a shareholding of more than 20% of the voting rights) but not control (associates), and investments in joint ventures, are accounted for using the equity method. Under the equity method, investments in associates and joint ventures are initially recognised at cost and the carrying amount is increased or decreased to recognise the Company's share of profit or loss and movements in other comprehensive income of the associate or joint venture after the date of acquisition. The Company's investments in associates include goodwill identified on acquisition.

The Company determines at each reporting date whether there is any objective evidence that investments in the associates are impaired. If this is the case, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit/ (loss) of associates in the income statement. As goodwill is included in the carrying amount of the investments in associates, it is not separately tested for impairment.

3. Summary of significant accounting policies

The following are the significant accounting policies applied by the Group in preparing its consolidated financial statements:

Business combinations and goodwill
In the event of an acquisition, the Group assesses whether the acquired set of activities, assets and liabilities constitute a business combination under the scope of IFRS 3.
Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in other operating expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss. Direct costs of acquisition are recognised immediately as an expense. Goodwill in consolidated subsidiaries is recognised under goodwill in consolidated assets. Negative goodwill is recognised directly in profit or loss in the year of acquisition.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Current versus non-current classification
The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:
- expected to be realised or intended to be sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:
- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Fair value measurement
Fair value is the price that would be received from selling on asset or paid to transfer a liability in a normal transaction. It is recognised on the basis of the asset or liability's main market (or the most advantageous market if there is no main market), i.e., the one that offers the highest volume and activity levels.

Fair value is the price that would be received from selling on asset or paid to transfer a liability in a normal transaction. It is recognised on the basis of the asset or liability's main market (or the most advantageous market if there is no main market), i.e., the one that offers the highest volume and activity levels.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarized in the following note:

- Financial instruments (including those carried at amortised cost) – note 18

Revenue from contracts with clients
Revenue from contracts with clients is recognized when control of the goods or services are transferred to the client at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Based on control transferring over time, revenue is recognized on the extent of progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgement and is based on the nature of the products and services to be provided. The input method is used to measure the progress of the contracts because this best depicts the transfer of control to the client. The extent of progress towards completion is measured using the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues are recorded proportionately as costs are incurred.

Transaction price
In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the time value of money, the existence of significant financing components, non-cash consideration, and consideration payable to the client (if any).

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the client. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.
When the consideration is to be transferred over multiple accounting periods, the Group considers the time value of money of the consideration. A future expected cash flow model is calculated in which the timing of the expected cash flows is projected and after which the current value of these cash flows is determined by discounting based on the related interest rate.

(i) Right to return
The Group uses the expected value method to estimate the variable consideration for right to returns, given the large number of contracts that have similar characteristics. The Group then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue. A refund liability is recognised for the goods that are expected to be returned (i.e., the amount not included in the transaction price). A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover the goods from the client.

(ii) Penalty payments
Some contracts regarding to installation projects, provide clients with the right of receiving penalty payments if the Group does not meet their obligations (e.g. if installation is not finished before an agreed date). The Group uses the most likely amount to estimate the variable consideration given the limited number of outcomes and limited number of penalties which are expected to be due. The Group then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue.

(iii) Significant financing components
There is no significant financing component included in any of the Group's contracts.

(iv) Non-cash consideration
If applicable, the fair value of non-cash considerations received from the client is included in the transaction price and measured when the Group obtains control of the equipment. The Group estimates the fair value of the non-cash consideration by reference to its market price. If the fair value cannot be reasonably estimated, the non-cash consideration is measured indirectly by reference to the stand-alone selling price of the received item.

(v) Significant payment terms
In general the payment terms are about 30 days.

Services
The Group provides implementation and installation services of hardware and infrastructure, security inspections and maintenance and support services. The services could either be sold separately or bundled together with the sale of hardware or infrastructure to a client.

The Group considers whether there are promises in the contract that are separate performance obligations. When contracts comprise of more than one performance obligation, because the promises are capable of being distinct and separately identifiable, the revenue recognition of these performance obligations is done separately. Accordingly, the Group allocates the transaction price based on the relative stand-alone selling prices of the goods and services. The standalone selling price could significantly affect the consideration allocated to the different performance obligations. The Group applied judgement in determining the market value to be used as the standalone selling price. The market value is determined based on what a client is willing to pay for the item in an active market.

The Group recognizes revenue from services over time, using an input method to measure progress towards complete satisfaction of the service.

Transferring goods
Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the client, generally on delivery of the products. The Group considers the applicable contract terms and conditions to assess when control of the asset is transferred to the client. The normal credit term is 30 to 90 days upon delivery. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties). The standalone selling price could significantly affect the consideration allocated to the different performance obligations. The Group applied judgement in determining the market value to be used as the standalone selling price. The market value is determined based on what a client is willing to pay for the item in an active market.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the client. If the Group performs by transferring goods or services to a client before the client pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial instruments.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a client for which the Group has received consideration (or an amount of consideration is due) from the client. If a client pays consideration before the Group transfers goods or services to the client, a contract liability is recognized when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

Cost to obtain of fulfil a contract

The Group opted to apply the practical expedient offered by IFRS 15 for incremental costs by recognizing the incremental cost as an expense should the amortization period of the asset be one year or less. For the Group's revenue contracts, no or only minor cost to obtain or fulfil a contract are applicable. As such, none of such costs are capitalized by the Group in the balance sheet per reporting date.

Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income. Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Income tax is computed in accordance with the tax legislation in force in the country where the income is taxable. For the Group this concerns the Netherlands and Belgium.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

It is calculated using the latest tax rates enacted or substantively enacted at the accounts closing date. The effects of a change in the tax rate from one period to another are recognised in the income statement in the period in which the change occurs, except where they relate to transactions recognised under other comprehensive income or directly in equity. Deferred tax relating to share-based payments (IFRS 2) is taken to income to the extent that the deductible amount does not exceed the fair value of plans established according to IFRS 2.

Whenever subsidiaries have distributable reserves, a deferred tax liability is recognised in respect of the probable distributions that will be made in the foreseeable future. Moreover, shareholdings in associates and certain joint ventures give rise to recognition of a deferred tax liability in respect of all the differences between the carrying amount and the tax base of the shares. Net deferred tax is determined on the basis of the tax position of each entity or group of entities included in the tax group under consideration and is shown under assets or liabilities for its net amount per tax jurisdiction. Deferred tax is reviewed at each reporting date to take account in particular of the impact of changes in tax law and the prospect of recovery. Deferred tax assets are only recognised if their recovery is probable. Deferred tax assets and liabilities are not discounted.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Foreign currencies

The Group's consolidated financial statements are presented in euros, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions entered into by Group entities in a currency other than the currency of the primary economic environment in which they operate (their "functional currency") are recorded at the rates ruling (spot rates) when the transactions occur. Translation gains and losses are taken to the profit and loss account as expenditure.

Foreign currency monetary assets and liabilities are translated at the exchange rates ruling at the reporting date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in profit or loss, except for foreign currency borrowings qualifying as a hedge of a net investment in a foreign operation, in which case exchange differences are recognised in other comprehensive income and accumulated in the foreign exchange reserve along with the exchange differences arising on the retranslation of the foreign operation.

On consolidation, the results of foreign operations are translated into Euro at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations, including goodwill arising on the acquisition of those operations, are translated at the exchange rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of foreign operations at actual rate are recognised in other comprehensive income.

On disposal of a foreign operation, the cumulative exchange differences recognised in the foreign exchange reserve relating to that operation up to the date of disposal are transferred to the consolidated profit and loss account as part of the profit or loss on disposal.

Property, plant and equipment

Items of property, plant and equipment are recorded at their acquisition cost, net of investment grants received, less cumulative depreciation and any impairment losses. They are not revalued as they are carried at the cost model. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the period of use of the asset. Land is not depreciated.
The main periods of use of the various categories of items of property, plant and equipment are as follows:

	Depreciation / year
Buildings	4% – 5%
Other operating assets	20%

Depreciation commences as from the date when the asset is ready to enter service. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

Leases
The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee
The Group applies a single recognition and measurement approach for all leases, except for short-term leases (less than 12 months) and leases of low-value assets (less than Euro 5,000). The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets
The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:
- Buildings 5 to 15 years
- Motor vehicles 2 to 5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.
The right-of-use assets are also subject to impairment.

ii) Lease liabilities
At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments of the current lease obligation only includes fixed payments. The lease contracts typically contain lease and non-lease components. Examples of non-lease components include security, cleaning, maintenance, advertising, insurance, utilities and fuel for cars. These non-lease components are excluded for the present value calculation of the lease liabilities.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term or a change in the lease payments.

iii) Short-term leases and leases of low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies to the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Intangible assets
Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit (CGU) level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.
The main percentage of amortisation of the intangible assets is as follows:

	Amortisation / year
Software	20%
Goodwill	n/a
Client relations	6 - 20%
Order backlog	33%

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Impairment of property, plant and equipment, goodwill and intangible assets
Impairment tests are performed on property, plant and equipment and intangible assets where evidence of an impairment loss arises. In accordance with IAS 36, the criteria adopted to assess indications that an impairment loss has arisen are either external (e.g. a material change in market conditions) or internal (e.g. a material reduction in revenue), without distinction.

If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An assets recoverable amount is the higher of an assets or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of 5 years. A long-term growth rate of 0.5% is applied to project future cash flows.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the assets or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

CGUs are identified in line with operational reporting. Their recoverable amounts are based on a value in use calculation. Values in use are determined by discounting the forecast operating cash flow before tax (operating income plus depreciation and amortisation plus/minus the change in non-current provisions minus operating investments plus/minus the change in operating working capital requirement) at the rates which represent the current market assessment of the risks. Projected cash flow is generally established for a five-year period on the basis of management forecasts. At the end of that period, a terminal value is determined by capitalising the final year's projected cash flow to infinity, and that value is discounted to present value.

Financial instruments – initial recognition and subsequent measurement

Initial recognition and measurement
Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through OCI, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group does not have any equity instruments. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined in accordance with IFRS 15. The Group applies trade date accounting.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in two categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through profit or loss (derivative financial instruments)

Financial assets at amortised cost (debt instruments)
The Group measures financial assets at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment testing. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost include trade receivables, cash and cash equivalents, and other receivables.

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss include financial assets, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Derivatives are classified as held for trading.

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the profit and loss account.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated balance sheet) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset .

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets
The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. The Group keeps track of the credit risk relating to the cash and cash equivalents in order to identify significant deterioration.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors and the economic environment. (GDP, consumer index, consumption and number of bankruptcies).

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

For other receivables and affiliated companies, the Group assessed there is no expected credit losses based on historical observed loss rates (almost zero) and forward-looking estimates (the financial forecasts of the VINCI SA group). As such, only an impairment for non-collectability will be recognised if there are indicators for impairments which give rise to recognise an impairment.

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:
- Loans and borrowings at amortized cost
- Financial liabilities at fair value through profit or loss

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

Loans and borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest amortisation process.

The effective interest is determined after taking account of redemption premiums and issuance expenses. Under this method, the interest expense is measured actuarially and reported under the cost of gross financial debt.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Derivative financial instruments
The Group uses derivative financial instruments to hedge its exposure to foreign currency exchange rates. The derivatives concern foreign exchange forward contract and are not designated as hedging instruments. Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are classified as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Inventories
Inventories of raw materials and consumables are valued against the first-in-first-out acquisition price or lower net realisable value. This lower net realisable value is determined by individual assessment of the inventories.
Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated sales price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The carrying amount of inventories sold is recognised as an expense in the period in which the related revenue is recognised.

Cash
Cash and cash equivalents comprise current accounts at banks and short-term liquid investments subject to negligible risks of fluctuations of value. Bank overdrafts are not included in cash and are reported under current financial liabilities. Changes in the fair value of these instruments are recognised directly in profit or loss.

Provisions
General:
Provisions are recognized in respect of legally enforceable or constructive liabilities which exist on the balance sheet date, where it is probable that an outflow of resources will be necessary and the extent of which can be reliably estimated. The provisions are determined on the basis of the best estimate of the amounts which are necessary in order to settle the liabilities on the balance sheet date, concerning the nominal value.

Restructuring:
This provision relates to costs in connection with the restructuring of operations and is formed if effectively or legally a commitment for the Group has arisen.

Jubilee:
This provision relates to employees who will receive a jubilee benefit after 12.5, 25 and 40 years of working for the Company (including Group's subsidiaries).

Provisions for retirement benefit obligations

Accounting policies
Provisions are taken on the liabilities side of the consolidated balance sheet for obligations connected with defined benefit retirement plans for both current and former employees (people who have retired and those with deferred rights). These provisions are determined using the projected unit credit method on the basis of actuarial valuations made at each annual balance sheet date. The actuarial assumptions used to determine the obligations are based on the economic conditions of the Netherlands. Each plan's obligations are recognised separately.

Under IAS 19, for defined benefit plans financed under external management arrangements (i.e. pension funds or insurance policies), the surplus or shortfall of the fair value of the assets compared with the present value of the obligations is recognised as an asset or liability in the consolidated balance sheet. That recognition is subject to asset ceiling rules and minimum funding requirements set out in IFRIC 14. The expense recognised under operating income or loss in each period comprises the current service cost and the effects of any change, reduction or winding up of the plan. The accretion impact recognised on actuarial liabilities and interest income on plan assets are recognised under other financial income and expenses. Interest income from plan assets is calculated using the discount rate used to calculate obligations with respect to defined benefit plans. The impacts of remeasuring net liabilities relating to defined benefit pension plans are recorded under other comprehensive income.

They comprise:
1. actuarial gains and losses on obligations resulting from changes in actuarial assumptions and from experience adjustments (the effects of differences between the actuarial assumptions adopted and that which has actually occurred);
2. plan asset outperformance/underperformance (i.e. the difference between the effective return on plan assets and the return calculated using the discount rate applied to the actuarial liability); and
3. changes in the asset ceiling effect.

The defined benefit pension plan is frozen since 2014. Per January 2020 a new defined contribution pension plan has been contracted with Delta Lloyd. Therefore, inflation rate, rate of salary increases and rate of pension increase is not applied.
The main retirement benefit obligations covered by provisions recognised in the balance sheet are calculated using the following assumptions:

Assumptions	31/12/2022	31/12/2021
Discount rate	3.75%	0.90%
Inflation rate	Not applicable	Not applicable
Rate of salary increases	Not applicable	Not applicable
Rate of pension increases	Not applicable	Not applicable

Discount rates have been determined by geographical area on the basis of the yields on private-sector bonds with a rating of AA and whose maturities correspond to the plans' expected cash flow. The increase in discount rates is due to the expected higher future interest rates. Sensitivity of the retirement benefit obligation as a result in changes to the underlying assumptions as mentioned above result in immaterial changes to the obligation (when adjusted for 1%).

Plan assets are valued at their fair value at 31 December 2022. The book value at 31 December 2022 is used for assets invested with insurance companies.

On the basis of the actuarial assumptions referred to above, details of the retirement benefit obligations, provisions recognised in the balance sheet, and the retirement benefit expenses recognised in 2022 are provided below.

(in € thousands)		31/12/2022	31/12/2021
Actuarial liability from retirement benefit obligations		**18,642**	**28,756**
Plan assets at fair value		**17,656**	**27,502**
Deficit (or surplus)		**986**	**1,254**
Provision recognised under liabilities on the balance sheet		**986**	**1,254**

Change in actuarial liability and plan assets			
(in € thousands)		**2022**	**2021**
At beginning of period		**28,756**	**31,309**
Interest Cost on the DBO		**300**	**249**
Net Actuarial (Gain) / Loss - Demographic Assumptions			(738)
Net Actuarial (Gain) / Loss - Financial Assumptions		(10,663)	(1,732)
Net Actuarial (Gain) / Loss - Experience		610	
Disbursements from Plan Assets		(361)	(332)
At end of period	**I**	**18,642**	**28,756**

(in € thousands)			
Plan assets			
At beginning of period		**27,502**	**30,023**
Interest Income on Plan Assets		288	239
Return on Plan Assets Greater / (Less) than Discount Rate		(9,773)	(2,428)
Disbursements		(361)	(332)
At end of period	**II**	**17,656**	**27,502**
Deficit (or surplus)	**I-II**	**986**	**1,254**

Change in provisions for retirement benefit obligations during the period		
(in € thousands)	**2022**	**2021**
At beginning of period	**1,254**	**1,285**
Cost recognized in P&L (excl Reimbursement Rights)	(268)	(31)
Remeasurement Gain / (Loss) Recognized in OCI (excl Reimbursement Rights)	0	0
At end of period	**986**	**1,254**

Breakdown of expenses recognised in respect of defined benefit plans		
(in € thousands)	**2022**	**2021**
Interest Cost on DBO	300	249
Interest income on assets	(288)	(239)
Net Interest Cost Net Defined Benefit Liability	**12**	**10**
Cost Recognised in P&L	**12**	**10**

The current pension plans of the Group are Defined Contribution Plans.
The basic pension for every employee is covered by multi-employer plans in which also other companies participate based on legal
obligations. These plans have an indexed average salary scheme and are therefore in the basis defined benefit schemes. However, as these mutual industry pension funds are not equipped to provide the required information on the Group's proportionate share of pension liabilities and plan assets, the defined benefit plans are accounted for as defined contribution plans. The Group is obliged to pay the predetermined premium for these plans. The Group may not reclaim any excess payment and is not obliged to make up any deficit, except by way of the adjustment of future premiums. The part of the employee pension plan exceeding the basic pension amount (top-up part), which is not covered by multi-employer funds, is carried out by other external parties (insurance companies) and is accounted for as defined contribution schemes.
Commitments relating to lump-sum payments on retirement which are met by contributions to the outside multi-employer insurance funds (PMT and PME) are recognised as an expense as and when contributions are payable. The amounts taken as an expense in the period in respect of defined contribution plans totalled €17,363,676 in 2022 (€16,967,244 in 2021).
At year-end 2022, the (twelve-month average) coverage rate of the industry pension fund for Kleinmetaal (PMT) is 106.8 per cent (2021: 106.1 per cent). The industry pension fund for Grootmetaal (PME) has a coverage rate of 110.4 per cent at year-end 2022 (2021: 107.9 per cent).

Provisions for other employee benefits

Provisions for other employee benefits mainly include long-service bonuses and jubilee bonuses. The Group provides service anniversary bonuses to its employees if they meet the pre-determined service conditions. The service anniversary bonuses classify as a long-term employee benefit. The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. The expenses of the net present obligation will be recognized over the vesting period of the service condition. Remeasurements are recognised in profit or loss in the period in which they arise.

Long-service bonuses and jubilee bonuses have been calculated using the following assumptions:

Assumptions	**31/12/2022**	**31/12/2021**
Discount rate	3.75%	0.00%
Rate of salary increases	3.50%	2.50%

Share based payments

Employees of the Group receive remuneration in the form of share-based payments. The Group currently has two share-based payment plans, named the Castor International Plan and the Long-Term Incentive Plan, together referred to as the "Plans". Under both Plans the employees receive shares in VINCI S.A. and not in VINCI Energies Netherlands B.V. Both Plans classify as equity-settled plans.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model, further details of which are given in note 32. That cost is recognised in employee benefits expense, together with a corresponding increase in equity (other capital reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The Group is liable to reimburse VINCI S.A. for the shares in the share-based payment transaction through a recharge arrangement. The recharge liability and corresponding deduction in equity will be recognised by the Group at the invoice date at the invoice value thereof.

4. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties includes:

- Financial instruments risk management and policies note 3
- Sensitivity analyses disclosures note 18

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements.

Estimates and assumptions

The preparation of financial statements requires estimates to be used and assumptions to be made that affect the amounts presented in those financial statements. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Estimates may be revised if the circumstances on which they were based alter or if new information becomes available. Actual results may be different from these estimates.

The Company's significant estimates are the impairment of non-financial assets, accounting for provisions and measurement of revenue recognition.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset.

The assumptions and estimates made to determine the recoverable amount of goodwill, intangible assets and property, plant and equipment relate in particular to the assessment of market prospects needed to estimate the cash flow, and the discount rates adopted. Any change in these assumptions could have a material effect on the recoverable amount. The main assumptions used by the Company are described in note 15 "Goodwill and goodwill impairment tests".

Provisions

The provisions are determined on the basis of the best estimate of the amounts which are necessary in order to settle the liabilities on the reporting date.

Measuring the progress for performance obligations satisfied over time

In note 3: Revenue from contracts with clients is explained that revenue is recognized based on control transferring over time, using the input method of the progress towards completion measurement. The extent of progress towards completion is measured using the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues are recorded proportionately as costs are incurred.

5. Standards adopted in the accounting period

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The Group applied the amendments to the contracts for which it had not fulfilled all of its obligations at the beginning of the reporting period. Although the Group has provisions for onerous contracts (€8.3 million per 31 December 2022), there was no impact of the application of the new requirements. The nature of the Group's projects and the pricing method (full cost) already includes all costs.

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

These amendments had no impact on the consolidated financial statements of the Group since there are no items of property, plant or equipment which are internally developed.

IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time Adopter

The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported in the parent's consolidated financial statements, based on the parent's date of transition to IFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary.

These amendments had no impact on the consolidated financial statements of the Group as it is not a first-time adopter.

IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

These amendments had no impact on the consolidated financial statements of the Group as there were no modifications of the Group's financial instruments during the period.

IAS 41 Agriculture – Taxation in fair value measurements
The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41. These amendments had no impact on the consolidated financial statements of the Group as it did not have assets in scope of IAS 41 as at the reporting date.

6. Standards issued but not yet effective
The Group has not early adopted any of the following standards, interpretations or amendments that have been issued but are not yet effective. The Group intends to adopt these standards, if applicable, when they become effective.

Classification of Liabilities as Current or Non-current – *Amendments to IAS 1*
In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:
- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. The Group is currently assessing the impact the amendments will have on current practice and whether existing (loan) agreements may require renegotiation.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - *Amendments to IAS 12*
In May 2021, the IASB issued amendments to IAS 12 to reduce diversity in the way that entities account for deferred tax on transactions and events, such as leases and decommissioning obligations, that lead to the initial recognition of both an asset and a liability. The Amendments narrow the scope of the initial recognition exception under IAS 12 Income Taxes, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The Amendments also clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability. The Amendments apply to annual reporting periods beginning on or after 1 January 2023, with earlier application permitted.

Other new standards or amendments
The following new and amended standards are not considered to be as relevant to the Group and as a result are not expected to have a significant impact on the Group's consolidated financial statements:
- IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts, effective 1 January 2023
- Definition of Accounting Estimates (Amendments to IAS 8), effective 1 January 2023
- Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2, effective 1 January 2023
- Classification of Liabilities as Current or Non-current - Amendments to IAS 1, effective 1 January 2024
  Lease Liability in a Sale and Leaseback - Amendments to IFRS 16, effective 1 January 2024

7. Capital management
The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 29, cash and equity, comprising issued capital, share premium and all other reserves and retained earnings. Management reviews the capital structure on a regular basis.

Management is committed to maintaining a healthy balance sheet, while executing the Group's growth strategy. Through the acquisition process, management carefully evaluates the acquisition price and financing options available for every asset acquired.

8. Group information
The Company is a wholly owned subsidiary of VINCI Energies S.A. located in Montesson, France. The financial statements of the Company are included in the consolidated financial statements of the ultimate parent company VINCI S.A. The consolidated financial statements are available at www.vinci.com. Other subsidiaries of VINCI S.A. are referred to as affiliated companies.

The Company is the head of a group of legal entities. The consolidated financial statements of the Group include:

Name	Registered office	Share in issued share capital
AMECHA B.V.	Helmond	100%
Axians Business Solutions B.V.	Zaltbommel	100%
Axians Communication Solutions B.V.	Capelle aan den Ijssel	100%
Axians ICT B.V.	's-Gravenhage	100%
Aqualectra B.V.	Heerhugoward	100%
Axians Performance Solutions B.V.	Zaltbommel	100%
Axians Telematics B.V.	Capelle aan den Ijssel	100%
Bostec B.V.	Capelle aan den Ijssel	100%
Cegelec B.V.	Dordrecht	100%
Cegelec Building Solutions B.V.	Amersfoort	100%
Cegelec Fire Solutions B.V.	Dordrecht	100%
De Bosman Bedrijven B.V.	Amersfoort	100%
De Jong Engineering	Hedel	100%
Energy & Infra Engineering B.V.	Dordrecht	100%
Faceo Nederland B.V.	's-Gravenhage	100%
Faceo Security & Prevention B.V.	Nieuwegein	100%
Industrial Solutions Zuid-Oost B.V.	Veghel	100%
Kadenza B.V.	Laren	100%
Koning & Hartman B.V.	Delft	100%
Methec B.V.	Dieren	100%
Netlink B.V.	Utrecht	100%
Plant Solutions Noord-Oost B.V.	Veendam	100%
Plant Solutions Zuid-Oost B.V.	Veghel	100%
Plusine Systems B.V.	Beverwijk	100%
Schilt Airconditioning B.V.	Meerkerk	100%
Schilt Luchtkanalen B.V.	Meerkerk	100%
Schilt Luchttechniek B.V.	Meerkerk	100%
Starren B.V.	Veghel	100%
Van der Linden Groep B.V.	Veghel	100%
VCD Business Intelligence B.V.	Groningen	100%
VCD Business Solutions B.V.	Groningen	100%
VCD Healthcare B.V.	Groningen	100%
VCD Infra Solutions B.V.	Groningen	100%
Verautomation B.V.	Middelbeers	100%
Verautomation Montage B.V.	Middelbeers	100%
Verkerk Groep B.V.	Zwijndrecht	100%

The Group's consolidation scope does not include any subsidiaries in which there are non-controlling interests, or any individually material joint ventures or associates. That assessment is based on the impact of those interests on the Group's financial performance, consolidated balance sheet and cash flow. All transactions with affiliated companies are conducted at arm's length.

The Group has the following joint ventures in which a 50% shareholding is held:
- Bosman-Yver V.O.F.; €210 result in 2022 (2021: €743).
- Spie-Cegelec Maintenance V.O.F.; €343,045 result in 2022 (2021: €192,686)
- HOMIJ Bosman Combinatie B.V.; €0 result and no activities in 2022.

9. Business combinations

Acquisition Verautomation B.V. and Verautomation Montage B.V.
100% of the shares of Verautomation was acquired on January 3, 2022, with the Group's financial resources for an amount of €6,703,243. Verautomation B.V. founded in 1997 and Verautomation Montage B.V. founded in 2017 are vested in Middelbeers with an annual revenue of €12.5 million and employs 85 people. The expertise of these companies as system integrator for industrial automation and panel assembly strengthens Actemium's market positioning in the industrial market segment.

Acquisition Aqualectra B.V.
100% of the shares of Aqualectra Beheer B.V. and Aqualectra B.V. was acquired on May 6, 2022, with the Group's financial resources for an amount of €10,757,930. The company, located in Heerhugowaard, has its origin in 1981 and realizes an annual revenue of €20 million with 112 employees. This company strengthens VINCI Energies Netherlands' market position as a specialized manufacturer of high-quality electrical panels and provider of knowledge, services and comprehensive solutions for energy distribution, control technology, utility building automation and industrial automation.

Acquisition de Jong engineering B.V.
100% of the shares of de Jong engineering B.V. was acquired on August 29, 2022, with VINCI Energies Netherlands B.V.'s own financial resources for an amount of €2,078,904. The company, located in Hedel, has its origin in 2003 and realizes an annual revenue of €2.2 million with 18 employees. This company is specialized in Robotica and Cobotica and strengthes the competitive position in the industry market segment.

Acquisition Schilt Airconditioning B.V., Schilt Luchtkanalen B.V. and Schilt Luchttechniek B.V.
100% of the shares of Schilt Arconditioning B.V., Schilt Luchtkanalen B.V. and Schilt Luchttechniek B.V. was acquired on November 29, 2022, with VINCI Energies Netherlands B.V.'s own financial resources for an amount of €19,295,000. The companies, located in Meerkerk, has its origin respectively in 1996, 1987 and 1996. Schilt realizes an annual revenue of €30.1 million with 105 employees. The companies are specialized in heating, ventilation and air-conditioning and contributes to improving the competitive position in the building solutions market segment.

Acquisition assets and liabilities Technip EPG B.V.
Energy & Infra Engineering B.V. has acquired the assets and liabilities of Technip EPG B.V. on October 25, 2022, for an amount of €1,020,500. The company was founded in 1980 and is located in Den Bosch. The revenue of €1.7 million is realized with 15 employees. The expertise in electrical engineering on high voltage design and construction projects, is a strong contribution the infrastructure market segment.

Acquisition assets and liabilities RCO Tilburg B.V.
Plant Solutions Zuid-Oost B.V. has acquired the assets and liabilities of RCO Tilburg B.V. on November 30, 2022, for an amount of €693,739. The company was founded in 2013 and is located in Tilburg. The revenue of €1.3 million is realized with 8 employees. RCO Tilburg is specialized in Robotica and Cobotica and its expertise is complementary towards the other automation business units.

8.3 Income statement items

10. Gross profit

Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with clients for 2022:

(in € thousands)	2022	2021
Segment		
Industry	265,516	216,100
ICT	287,782	252,893
Infrastructure	36,907	39,028
Building Solutions	135,675	123,164
Total revenue from contracts with clients	**725,880**	**631,185**
Timing of revenue recognition		
Goods transferred at a point in time	79,606	69,221
Goods and services transferred over time	646,274	561,964
Total revenue from contracts with clients	**725,880**	**631,185**

Contract balances *(in € thousands)*	**As at 31 December 2022**	**As at 31 December 2021**
Trade and other receivables	129,711	105,946
Contract assets	71,521	31,919
Contract liabilities	(116,491)	(89,875)
Total	**84,741**	**47,990**

Trade receivables are non-interest bearing and are generally on terms of 30 days.
Contract assets are initially recognized for revenue earned, but not invoiced from work performed. Upon completion of the project phase and acceptance by the client, the amounts recognized as contract assets are reclassified to trade receivables. The significant increase in trade receivables is due to acquisitions and due to momentum of invoicing after reaching milestones of large projects. The increase in contract assets in 2022 is mainly the result of progress on some larger projects not yet reaching milestones for invoicing and the effect of earlier payment at year-end 2021.

Contract liabilities include deferred revenue. All contract liabilities from previous year were transferred to revenue in the current year.

Performance obligations

Information about the Group's performance obligations are summarised below:

Implementation, installation and inspection services
The performance obligation is satisfied over-time and payment is generally due within 30 days upon completion of (a phase of the) installation and implementation and acceptance by the client.

Maintenance and support
The performance obligation is satisfied over-time and payment is generally due within 30 days upon the services are rendered for the agreed period.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are, as follows:

(in € thousands)	**2022**	**2021**
Within one year	197,323	121,607
Total	**197,323**	**121,607**

Cost of sales
The costs directly allocated to sales are as follows:

Cost of sales

(in € thousands)	**2022**	**2021**
Raw materials and consumables	235,912	176,133
Subcontracting	89,074	71,928
Salaries, wages and benefits	101,591	104,766
External employees	30,897	30,204
Retirement benefit expenses	9,500	9,814
Other social security contributions	20,760	14,692
Total	**487,734**	**407,537**

11. Other operating income/expenses

All employee costs not included in cost of sales are included in distribution costs.

Distribution costs

(in € thousands)	**2022**	**2021**
Salaries, wages and benefits	87,915	76,363
Share-based payments	4,030	4,084
Retirement benefit expenses	7,864	7,153
Other social security contributions	13,363	10,708
Educational expenses	2,727	2,324
Other employee expenses	1,351	1,007
Total distribution costs	**117,250**	**101,639**

Average number of employees

(in € thousands)	**2022**	**2021**
ICT	1,236	1,232
Industry	1,180	1,015
Building Solutions	482	497
Infrastructure	194	179
Holding	21	25
Total number of employees	**3,113**	**2,948**

The above employees are either mapped to cost of sales or distribution expenses.
During 2022, 3,113 employees were employed on a full-time basis (2021: 2,948). Of these employees, 4 were employed outside the Netherlands (2021: 70).

Administrative expenses

(in € thousands)	**2022**	**2021**
Depreciation of intangible and tangible fixed assets	23,538	22,200
Taxes and levies	1,930	2,012
Other administrative expenses	(705)	6,838
Total administrative expenses	**24,763**	**31,050**

The change in other administrative expenses is mainly due to less provisions in 2022 (€7,346 less than in 2021).

Other operating expenses

(in € thousands)	**2022**	**2021**
Maintenance and service buildings	45	240
Maintenance and service vehicles	4,655	4,931
Rent of equipment	1,582	2,100
Other outside services and operating expenses	53,356	46,417
Other operating expenses	**59,638**	**53,688**

12. Financial income/cost

Finance cost

(in € thousands)	**2022**	**2021**
Intercompany borrowing costs		375
Other financial costs	359	336
Total finance costs	**359**	**711**

Finance income

(in € thousands)	**2022**	**2021**
Foreign exchange gains	1,252	86
Other financial income	3	
Total finance income	**1,255**	**86**

13. Income tax

The major components of income tax expense for the years ended 31 December 2021 and 2022 are:

(in € thousands)		2022	2021
Comprehensive income of the year		28,653	26,489
Other comprehensive income			
Profit of the year	**I**	**28,653**	**26,489**
Current income tax:			
• Current income tax charge		10,987	11,203
• Adjustments in respect of current income tax of previous year		3	(36)
Deferred tax:			
• Relating to origination and reversal of temporary differences		(1,909)	1,108
Income tax expense reported in the statement of profit and loss	**II**	**9,081**	**12,275**
Accounting profit before income tax	**I + II**	**37,734**	**38,764**

Reconciliation of tax expense and the accounting profit multiplied by the Companies' domestic tax rate for 2021 and 2022:

(in € thousands)	2022	2021
Accounting profit before income tax	**37,734**	**38,764**
Tax at Dutch statutory tax rate of 25.8%, 15% first bracket € 395 (2021: 25%, 15% first bracket €245k)	9,693	9,666
Adjustments in respect of current income tax of previous years	3	(36)
Foreign income tax		
Non-deductible PPA adjustments	694	941
Related party exemptions	(66)	135
No tax sale of subsidiaries		(481)
Non-deductible expenses for tax purposes		
• Share based payments	1,040	1,022
• Cost of representation and gifts	207	191
• Acquisition costs	125	21
Utilisation of previously unrecognised tax losses	(220)	
Utilisation of previously unrecognised tax losses		(220)
Movement in deferred tax	(1,909)	1,108
Others	(706)	(72)
At the effective income tax rate of 24.07% (2021: 27.05%) as per statement of profit or loss	**9,081**	**12,275**

8.4 Balance sheet items

14. Intangible fixed assets

Gross *(in € thousands)*	**Software**	**Other intangible assets***	**Total**
As at 1 January 2021	**1,459**	**32,128**	**33,587**
Additions – internal development	266	1,250	1,516
Acquisition of a subsidiary	(465)		(465)
Disposal during period	(297)		(297)
At 31 December 2021	**963**	**33,378**	**34,341**
At 1 January 2022	963	33,378	**34,341**
Additions – internal development	187	4,635	4,822
Disposal during period	(341)	(3,228)	(3,569)
At 31 December 2022	**809**	**34,785**	**35,594**

Accumulated amortisation and impairment *(in € thousands)*	**Software**	**Other intangible assets***	**Total**
As at 1 January 2021	**(976)**	**(6,752)**	**(7,728)**
Amortisation	(226)	(3,940)	(4,166)
Sale of a subsidiary	95		95
Disposal during period	297		297
At 31 December 2021	**(810)**	**(10,692)**	**(11,502)**
At 1 January 2022	**(810)**	**(10,692)**	**(11,502)**
Amortisation	(236)	(3,062)	(3,298)
Disposal during period	341	3,228	3,569
At 31 December 2022	**(705)**	**(10,526)**	**(11,231)**

Net book value			
As at 1 January 2021	**483**	**25,376**	**25,859**
As at 31 December 2021	**154**	**22,686**	**22,839**
As at 31 December 2022	**104**	**24,259**	**24,363**

* Client relations, order backlog, trade name

All intangible assets are considered to have a definite life and are therefore amortised annually. There are no individually material intangible assets.

15. Goodwill

Gross		
(in € thousands)	**Goodwill**	**Total**
As at 1 January 2021	**176,381**	**176,381**
Acquisition of a subsidiary	2,030	2,030
Disposal during period	(1,370)	(1,370)
At 31 December 2021	**177,041**	**177,041**
At 1 January 2022	**177,041**	**177,041**
Acquisition of a subsidiary	22,051	22,051
At 31 December 2022	**199,092**	**199,092**

Impairment		
(in € thousands)	**Goodwill**	**Total**
As at 1 January 2021	**(78,959)**	**(78,959)**
Impairment		
Disposal during period	122	122
At 31 December 2021	**(78,837)**	**(78,837)**
At 1 January 2022	**(78,837)**	**(78,837)**
Impairment		
Disposal during period		
At 31 December 2022	**(78,837)**	**(78,837)**

Net book value		
As at 1 January 2021	97,422	97,422
As at 31 December 2021	98,204	98,204
As at 31 December 2022	**120,255**	**120,255**

Acquisitions that took place before January 1, 2018 are grouped by market segment. As these acquisitions have become so intertwined in the past, it has been decided to group the Cash Generating Unit (CGU) by market segment. Companies acquired after January 1, 2018 are considered as a CGU per acquisition, unless there is reason to merge the acquired company with an existing CGU.
When a CGU is subject to impairment analysis, the discount rate is determined on the basis of the WACC (Weighted Average Cost of Capital) based on a peer group analysis. To assess the reasonableness of the discount rates a comparison of the calculated IRR (Internal Rate of Return) with the WARA (Weighted Average Return on Assets) has been conducted. Impairment calculation is based on the budget of the next financial year, the forecast of the three years after the next financial year and an infinite growth of 0.5%. Per CGU, the necessity for impairment is determined on the comparison between the discounted cashflow value and the company net value, taking into account a sensitivity of -5% and + 5% on the company net value. No impairment is needed for 2022.

For impairment testing goodwill acquired through business combinations is allocated to the CGU's as displayed below:

GCGU		Goodwill 2022		Goodwill 2021	
(in € thousands)	**WACC**		**Headroom**		**Headroom**
Industry	8.46% (2021: 6.4%)	12,390	18,004	3,376	7,391
Building Solutions	8.40% (2021: 6.4%)	25,807	36,106	12,769	51,058
ICT	8.78% (2021: 6.1%)	82,058	35,076	82,058	77,197
Total goodwill		**120,255**		**98,203**	

16. Property, plant and equipment

(in € thousands)	**Land and buildings**	**Other assets**	**Total**
Gross			
As at 1 January 2021	**19,731**	**5,722**	**25,453**
Acquisitions as part of business combinations	575	101	676
Other acquisitions during period	2,781	9,472	12,253
Sale of a subsidiary	(338)	(1,188)	(1,526)
Disposal during period	(451)	(809)	(1,260)
At 31 December 2021	**22,298**	**13,298**	**35,596**
Acquisitions as part of business combinations	3,679	1,868	5,547
Other acquisitions during period	926	3,178	4,104
Disposal during period	(263)		(263)
At 31 December 2022	**26,640**	**18,344**	**44,984**
Accumulated Depreciation and impairment losses *(in € thousands)*			
As at 1 January 2021	**(3,982)**	**(2,862)**	**(6,844)**
Depreciation during period	(1,246)	(1,572)	(2,818)
Sale of a subsidiary	109	1,110	1,219
Disposal during the period	451	715	1,166
At 31 December 2021	**(4,668)**	**(2,609)**	**(7,277)**
Depreciation during period	(1,358)	(1,885)	(3,243)
Disposal during the period	259		259
At 31 December 2022	**(5,767)**	**(4,494)**	**(10,261)**
Net			
As at 1 January 2021	15,749	2,860	18,609
As at 31 December 2021	17,630	10,689	28,319
As at 31 December 2022	**20,873**	**13,850**	**34,723**

17. Right-of-use assets

(in € thousands)	**31 December 2022**	**31 December 2021**
Right-of-use for building	23,131	21,463
Accumulated amortisation on building right-of-use	(14,041)	(11,878)
Right of use for Vehicles	33,488	31,563
Accumulated amortisation on right of use for Vehicles	(19,112)	(16,018)
Right-of-use for NAAS	10,957	7,575
Accumulated amortization on NAAS right-of-use	(5,519)	(3,911)
Total Right-of-use assets	**28,904**	**28,794**

The Group has lease contracts for various buildings and vehicles used in its operations. Leases of buildings generally have lease terms between 5 and 15 years, while motor vehicles generally have lease terms between 2 and 5 years. For NAAS equipment the lease contracts contain a lease term between 2 and 7 years.

The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options. These extension and termination options are applicable on buildings leased and concern an extension of the same period of the initial contract (5 or 10 years) with the same lease amounts to be paid. Termination options are not that common, but when applicable individually a determined fine has to be paid. Whether these extensions or terminations will be effectuated is dependent on management team decisions.

The Group also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

(in € thousands)	Buildings	Vehicles	NAAS Equipment	Total
As at January 1, 2021	**9,251**	**15,712**	**5,750**	**30,713**
Addition	7,180	6,118		13,298
Depreciation expense	(6,846)	(6,285)	(2,086)	(15,217)
As at December 31, 2021	**9,585**	**15,545**	**3,664**	**28,794**
Addition	6,509	5,327	5,271	17,107
Depreciation expense	(7,004)	(6,497)	(3,496)	(16,997)
As at December 31, 2022	**9,090**	**14,375**	**5,439**	**28,904**

18. Financial assets and financial liabilities

Financial assets

(in € thousands)	31 December 2022	31 December 2021
Debt instruments at amortised cost		
Trade and other receivables	129,711	105,946
Prepaid expenses	16,337	29,166
Loan to non-consolidated company	266	260
Minority interest in non-consolidated company	404	292
Total financial assets*	**146,718**	**135,664**
Total current	146,048	135,112
Total non-current	670	552

* Financial assets, other than cash and short-term deposits

The significant increase in trade receivables is due acquisitions, to momentum of invoicing after reaching milestones of large projects and the effect of earlier payment at year-end 2021.

Other financial liabilities

(in € thousands)	31 December 2022	31 December 2021
Derivatives not designated as hedging instruments:		
Forward currency contracts	54	9
Other financial liabilities at amortised cost, other than interest-bearing loans and borrowings		
Trade and other payables	77,939	59,985
Total other financial liabilities	**77,993**	**59,994**
Total current	**77,993**	**59,994**

Derivatives not designated as hedging instruments reflect the negative change in fair value of those foreign exchange forward contracts that are not designated in hedge relationship, but are, nevertheless, intended to reduce the level of foreign currency risk for expected purchases.

The outstanding contract value of the currency forward contracts in respect of cash flow hedging for the purchase of US Dollars amounted to USD 39,736 (2021: USD 2,635) (nominal value) as at December 31, 2022. These outstanding currency forward contracts represent a net fair value of €1,180, comprising a positive item of €1,234 (2021: €9) and a negative item of €54 (2021: €0).

Financial instruments not measured at fair value
Financial instruments not measured at fair value includes cash and cash equivalents, trade and other receivables, trade and other payables, and loans and borrowings. Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables and trade and other payables approximates their fair value. For long-term intragroup loans the interest percentages are within a reasonable range (EURIBOR + 1.15%), in line with the rates charged for external loans.

Risk management objectives and policies
The Group is exposed to:

- **a)** Interest rate risk
- **b)** Foreign currency exchange rate risk
- **c)** Credit risk

The Group's senior management oversees the management of these risks. The VINCI Energies S.A. financial risk committee provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans, borrowings, deposits, debt and equity investments and derivative financial instruments.

The following has been taken into account in calculating the sensitivity analyses:

- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 December 2022 and 2021.

i) Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relate primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by only obtaining intragroup loans, based on Euribor and a fixed incremental percentage. The variable component is a policy that the Group in the Netherlands accepts as an interest risk.

Interest rate sensitivity
The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in basis points	Effect on profit before tax
2022		
EUR	+25	142
EUR	-25	-142
2021		
EUR	+25	267
EUR	-25	-267

The assumed movement in basis points for the interest rate sensitivity analysis is based on the observable market environment as per balance sheet date.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency). Most significant risk is related to purchases made in USD currency. The Group manages its foreign currency risk by hedging USD amounts to be paid in the future. As a result, the total impact is limited.

iii) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or client contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Client credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to client credit risk management. Credit quality of a client is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding client receivables and contract assets are regularly monitored.

The Group evaluates the concentration of credit risk with respect to trade receivables and contract assets as low, as the Group has both public and private clients. The private clients are operating in several industries and in largely independent markets. The Group considers the credit risk of accounts receivables and contract assets after initial recognition as low per reporting date, based on the credit risk assessment policies before accepting new clients. Besides that, major part of the trade receivables concerns Dear Old Clients (DOC) on which the credit risk is very limited due to the long-term relationships and status of these clients.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses on trade receivables and contract assets. The provision rates are based on days past due for groupings of various client segments with similar loss patterns (i.e., by geographical region, product type, client type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity.

Set out below is the information about the credit risk exposure on the Group's trade receivables and contract assets using a provision matrix. The provision matrix is based on its historical observed loss rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed loss rates are updated and changes in the forward-looking estimates are analysed. In this case, it is forecast that economic conditions will deteriorate over the next year. In addition, the Group uses looking-forward variables in order to come to an acceptable provision for doubtful debtors. First of all, the GDP has been taken into consideration. As mentioned by CBS (source: cbs.nl), the GDP growth of the GDP will continue, but won't be as high as in the past years. The same is applicable to other indicators as the consumer index, consumption and number of bankruptcies. Taking these indicators into consideration together with the historical figures of the Group specific, leads to no expected increases on write offs. Also, the type of client and Group's relationship with this client has been taken into consideration in the provision matrix. The Group recognizes three types of clients: public (governmental departments and agencies etc), dear old clients (DOC) and new clients (NC), each having their specific risk profile.

	Trade receivables						
As at 31 December 2022 *(in € thousands)*	**Gross Carrying Amount - Public**	**Gross Carrying Amount - Private (DOC)**	**Gross Carrying Amount - Private (NC)**	**Lifetime ECL Allowance - Public**	**Lifetime ECL Allowance - Private (DOC)**	**Lifetime ECL Allowance - Private (NC)**	**Total Lifetime ECL Allowance**
Current	9,121	75,588	29,004	0	0	0	0
1-30 Days Past Due	1,381	7,302	3,358	7	3	983	993
31-60 Days Past Due	382	1,127	356	36	38	282	356
61-90 Days Past Due	13	563	356	0	0	0	0
>90 Days Past Due	214	346	600	300	107	277	684
Total	**11,111**	**84,926**	**33,674**	**343**	**148**	**1,542**	**2,033**

	Trade receivables						
As at 31 December 2021 *(in € thousands)*	**Gross Carrying Amount - Public**	**Gross Carrying Amount - Private (DOC)**	**Gross Carrying Amount - Private (NC)**	**Lifetime ECL Allowance - Public**	**Lifetime ECL Allowance - Private (DOC)**	**Lifetime ECL Allowance - Private (NC)**	**Total Lifetime ECL Allowance**
Current	10,419	47,727	35,814	0	0	0	0
1-30 Days Past Due	838	4,787	3,344	0	0	33	33
31-60 Days Past Due	137	261	440	0	1	66	67
61-90 Days Past Due	8	586	82	1	59	20	80
>90 Days Past Due	44	1,367	92	22	1,217	74	1,313
Total	**11,446**	**54,728**	**39,772**	**23**	**1,277**	**193**	**1,493**

No expected credit losses are recognized for the contract assets per 31 December 2022 and 31 December 2021.

Liquidity risk and cash flow risk:

Periodically, liquidity forecasts are prepared. Liquidity risks are controlled through continuous monitoring. The liquidity forecasts take account of any restricted availability of cash, along with bank guarantees. For cash and cash equivalents no expected credit loss is applicable.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

Year-ended 31 December 2022 *(in € thousands*	**Less than 3 months**	**3 to 12 months**	**1 to 5 years**	**>5years**	**Total**
Long-term Interest-bearing loans and borrowings	3,110	9,330	53,590		66,030
Trade and other payables	77,939				77,939
Leases	3,231	9,694	17,644		30,569
Other financial liabilities	40,041				40,041
Total	**124,321**	**19,024**	**71,234**		**214,579**

Year-ended 31 December 2021 *(in € thousands*	**Less than 3 months**	**3 to 12 months**	**1 to 5 years**	**>5years**	**Total**
Long-term Interest-bearing loans and borrowings	4,500	4,500	36,000	13,500	58,500
Trade and other payables	59,985				59,985
Leases	3,489	10,228	24,893		38,610
Other financial liabilities	25,936				25,936
Total	**93,910**	**14,728**	**60,893**	**13,500**	**183,031**

Concentrations of risk

Concentrations arise when a number of counterparties are engaged in similar business activities, have activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio clients (public and private, diversified industries). Identified concentrations of credit risks are controlled and managed accordingly.

The Group's business activities are concentrated in the Netherlands, only an insignificant amount of revenue is generated from clients outside the Netherlands and only a very small portion of the Group's revenue is in a different currency than the euro.

19. Deferred tax

Deferred tax assets have been recognised in respect of all tax losses and other temporary differences giving rise to deferred tax assets where it is probable that these assets will be recovered.

Deferred tax relates to the following:

	Balance sheet		Income statement	
	31 December	31 December		
(in € thousands)	2022	2021	2022	2021
Difference depreciation for tax purposes	(336)	(1,142)	806	(378)
New in consolidation depreciation for tax purposes	(1,113)		0	
Lower tax value of the property due to write-off of reinvestment reserve	(561)	(146)	(415)	1
Losses available for offsetting against future				
taxable income	499	602	(103)	309
Client Relations & Order backlog	(5,377)	(4,519)	(858)	833
Leases	125	(2,351)	2,476	(1,831)
Pensions	246	313	(67)	(42)
Allocation adjustment pensions			69	
Net deferred tax liabilities	**(6,517)**	**(7,243)**	**1,908**	**(1,108)**

(in € thousands)	31 December 2022	31 December 2021
Reflected in the statement of financial position as follows:		
Deferred tax assets	9,365	8,740
Deferred tax liabilities	(15,882)	(15,983)
Deferred tax liabilities, net	**(6,517)**	**(7,243)**

The Group has tax losses of €499,000 (2021: €602,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose before being acquired. Deferred tax assets have been recognised in respect of these losses as they may be used to offset taxable profits elsewhere in the Group. There are sufficient tax planning opportunities or other evidence of recoverability in the near future for these to be recognised as deferred tax assets.
There are no income tax consequences related to the payment of dividends in either 2022 or 2021 by the Group to its shareholders.

Deferred tax assets	31 December	31 December
(in € thousands)	2022	2021
Losses available for offsetting against future taxable income	499	602
Leases	7,661	6,937
Pensions	1,205	1,201
Total deferred tax assets	**9,365**	**8,740**

As IFRS 16 (leases) cannot be followed for Dutch tax purposes, temporary differences arise between the IFRS carrying amount of the right-of-use assets and lease liability and the Dutch tax base of zero. Therefore, a deferred tax asset has been recognized on the deductible temporary difference on the lease liability and a deferred tax liability has been recognized on the taxable temporary difference on the right-of-use assets.

Deferred tax liabilities	31 December	31 December
(in € thousands)	2022	2021
Lower tax value of the property due to write-off of reinvestment reserve	561	146
Accelerated depreciation for tax purposes (goodwill)	1,449	1,143
Amortisation Clients Relations & Order Backlog	5,377	4,519
Leases	7,536	9,288
Pensions	958	888
Other	1	-1
Total	**15,882**	**15,983**
Non-current portion to be settled after 12 months	12,916	12,668
Current portion to be settled within 12 months	2,966	3,315

20. Inventories

(in € thousands)	31 December 2022	31 December 2021
Raw materials and consumables (at cost)	17,501	13,192
Provision for obsolete inventory	(7,128)	(6,891)
Total inventories at the lower of cost and net releasable value	**10,373**	**6,301**

The increase in the inventory level (including provisions) is mainly due to acquisitions and explained by the need of having enough critical materials available to prevent shortage coming from postponed deliveries due to high market demand. Immaterial amounts were recognized as an expense for inventories carried at net realizable value.

21. Trade and other receivables, contract assets and other current financial assets

Trade and other receivables

(in € thousands)	31 December 2022	31 December 2021
Trade receivables from third-party clients	127,142	104,850
Less: allowance for expected credit losses	(2,033)	(1,493)
Other receivables	4,602	2,589
Total	**129,711**	**105,946**

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Contract assets

As at 31 December 2022, the Group has contract assets of €71,521 (2021: €31,919). There is no expected credit loss applicable for contract assets at the Group.

Other current financial assets

(in € thousands)	31 December 2022	31 December 2021
Prepaid expenses	16,337	29,166
Total	**16,337**	**29,166**

22. Cash and cash equivalents

(in € thousands)	31 December 2022	31 December 2021
Bank balance in VINCI SA cash Pool	40,465	66,212
Cash at banks	8,202	4,923
Cash and cash equivalents	**48,667**	**71,135**

Cash at banks earns interest at floating rates based on daily bank deposit rates.
At 31 December 2022, the Group had available €41,701 (2021: €45,107) of undrawn committed borrowing facilities with VINCI Finance International (Belgium).

23. Employee benefits

(in € thousands)	31 December 2022	31 December 2021
Defined benefit pension scheme	986	1,253
Jubilee	3,702	3,514
Total	**4,688**	**4,767**

Most employees are affiliated with the multi-employer pension fund or participate in a defined contribution pension program. A defined benefit pension scheme is in force for a small part of the staff, which, as described in note 3, has been frozen with effect from 2014. Employees in general receive a jubilee benefit after 12.5, 25 and 40 years of working for the Company (including Group subsidiaries). Due to the acquisitions of the past years, there are differences in the criteria between the group entities (e.g. regarding the years and amount of the rewards). The criteria are communicated to the Groups employees via an employee policy, which is available for all employees of the Group.

24. Non-current liabilities

(in € thousands)	31 December 2022	31 December 2021
Long-term group loans (note 28)	53,590	49,500
Lease liabilities (note 25)	17,644	24,892
Total	**71,234**	**74,392**

25. Lease liabilities

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

(in € thousands)	Buildings	Vehicles	NAAS Equipment	Total
As at January 1, 2021	**9,298**	**15,325**	**7,737**	**32,360**
Non-Current	**5,137**	**8,751**	**5,269**	**19,157**
Current	**4,161**	**6,574**	**2,468**	**13,203**
Addition	7,407	5,378	9,369	**22,154**
Payments	(6,813)	(5,502)	(3,766)	**(16,081)**
Accretion of interest	12	3	81	**96**
As at December 31, 2021	**9,904**	**15,204**	**13,421**	**38,529**
Non-Current	**6,060**	**8,411**	**10,422**	**24,892**
Current	**3,844**	**6,794**	**2,999**	**13,637**
Addition	6,510	5,327	3,382	15,219
Payments	(6,968)	(6,500)	(11,364)	(24,832)
Accretion of interest	23	5		28
As at December 31, 2022	**9,469**	**14,036**	**5,439**	**28,944**
Non-Current	**6,319**	**7,559**	**3,766**	**17,644**
Current	**3.150**	**6,477**	**1,673**	**11,300**

The Group had total cash outflows for leases of €34,851 in 2022 (€25,719 in 2021). These cashflows concern the payments of lease liabilities, but also the variable costs of leasing (fuel, maintenance, etc).
The Group has no lease contracts that contain variable payment terms that are linked to sales generating or other commercial activities. The Group has a significant lease component in Network As A Service (NAAS) contracts, for which a lease liability of €5,439 is recognised per December 31, 2022 (2021: €13,502). For contracts effective before January 1, 2020, the actual value (initial amount and payments) has been taken into consideration.

26. Provisions

(in € thousands)	31 December 2022	31 December 2021
Provision other current liabilities	8,383	8,108
Restructuring	1,064	3,890
Total	**9,447**	**11,998**

The provision other current liabilities relate to provisions for onerous contracts and claim risk.
The movement is as follows:

(in € thousands)	2022	2021
Book value as of January 1	**8,108**	**7,180**
Addition	8,383	8,108
Usage	(5,607)	(4,972)
Release	(2,501)	(2,208)
Book value as of December 31	**8,383**	**8,108**
Non-Current portion (to be settled after 12 months)		

The movement in the restructuring provision is as follows:

(in € thousands)	2022	2021
Book value as of January 1	3,890	3,792
Addition	910	2,777
Usage	(3,690)	(2,354)
Release	(46)	(325)
Book value as of December 31	**1,064**	**3,890**
Non-Current portion (to be settled after 12 months)		

In 2021 and 2022 a formal plan of restructuring was completed and announced by management of the Company. Management expects to finalize the restructuring to cover the costs of reducing (certain sectors of) its workforce and related facilities to levels more appropriate to the business requirements in 2022 and future periods.

27. Trade and other payables

(in € thousands)	31 December 2022	31 December 2021
Trade payables	72,483	56,840
Other payables	3,309	2,542
Related party payables	967	612
Derivative financial assets & liabilities	1,180	(9)
Total	**77,939**	**59,985**

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 45-day terms
- Other payables are non-interest bearing and have an average term of 30 days
- For terms and conditions of payables to related parties, refer to note 34
- For explanations on the Group's liquidity risk management processes and derivative financial assets and liabilities, refer to note 18

28. Loans and borrowings

(in € thousands)	31 December 2022	31 December 2021
Long-term debt <1 year	**14,065**	**9,000**
Total	**14,065**	**9,000**

Financial liabilities: Interest-bearing loans and borrowings
Loans with a remaining period exceeding one year are specified as follows (all denominated in Euros):

	31 December 2022			Interest rate
(in € thousands)	Up to 5 years	More than 5 years	Total	
	€	€	€	%
Vinci Energies International Belgium BVBA	36,000	4,500	40,500	6 months Euribor + 1.15
Vinci Energies International Belgium BVBA	4,690		4,690	6 months Euribor + 0.35
Vinci Energies International Belgium BVBA	8,400		8,400	6 months Euribor + 1.04
	49,090	**4,500**	**53,590**	

	31 December 2021			Interest rate
(in € thousands)	Up to 5 years	More than 5 years	Total	
	€	€	€	%
Vinci Energies International Belgium BVBA	36,000	13,500	49,500	6 months Euribor + 1.15
	36,000	**13,500**	**49,500**	

As per December 31, 2022 the remaining balance of this loan amounts to €66,030. Liabilities with a remaining period up to one year including the short-term portion of long-term liabilities, are presented under current liabilities, including €14,065 (2021: €9,000) for the short-term part of the abovementioned debt.

Net surplus

(in € thousands)	31 December 2022	31 December 2021
Cash and cash equivalents	48,667	71,135
Trade and other receivables	129,711	105,946
Trade and other payables	(77,939)	(59,985)
Long-term borrowings	(53,590)	(49,500)
Short-term borrowings	(14,065)	(9,000)
Long-term lease liabilities	(17,644)	(24,892)
Short-term lease liabilities	(11,300)	(13,637)
Net debt	**3,840**	**20,067**

Changes in liabilities arising from financing activities

(in € thousands)	1-1-2022	Cash flows	New Loan	Other	31-12-2022
Non-current interest-bearing loans and borrowings	**49,500**		16,530	(12,440)	**53,590**
Current interest-bearing loans and borrowings (excluding items below)	**9,000**	(9,000)	1,625	12,440	**14,065**
Dividends payable					
Total liabilities from financing activities	**58,500**	**(9,000)**	**18,155**		**67,655**

(in € thousands)	1-1-2021	Cash flows	New Loan	Other	31-12-2021
Non-current interest-bearing loans and borrowings	58,500			(9,000)	**49,500**
Current interest-bearing loans and borrowings (excluding items below)	4,500	(4,500)		9,000	**9,000**
Dividends payable					
Total liabilities from financing activities	**63,000**	**(4,500)**			**58,500**

The 'Other' column includes the effect of reclassification of non-current portion of interest-bearing loans and borrowings, including lease liabilities to current due to the passage of time, the accrual for dividends that were not yet paid at year-end, and the effect of accrued but not yet paid interest on interest-bearing loans and borrowings, including lease liabilities. The Group classifies interest paid as cash flows from operating activities.

29. Contract liabilities

(in € thousands)	31 December 2022	31 December 2021
Contract liabilities	116,491	89,875
Total	**116,491**	**89,875**

30. Current tax

(in € thousands)	31 December 2022	31 December 2021
Corporate income tax	(526)	1,374
Labour Tax and Social charges	7,926	6,130
VAT	8,108	9,207
Total	**15,508**	**16,711**

31. Other liabilities and accrued expenses

(in € thousands)	31 December 2022	31 December 2021
Pension	328	215
Other current liabilities	39,713	31,021
Total	**40,041**	**31,236**

32. Share-based payments

The Group currently has two equity settled share-based payment plans, the Castor International Plan and the Long-Term Incentive Plan. The costs related to these plans are recognised as expenses over the period in which rights are acquired with a corresponding increase in equity for the Group. The employees will, under both these plans, receive shares in VINCI S.A. and not in the Company. Benefits granted under these plans are implemented as decided by VINCI S.A.'s Board of Directors after approval by the Shareholders' General Meeting.

Castor International Plan

In 2022, in accordance with authorisations given to VINCI S.A.'s Board of Directors by the Shareholders' General Meeting, VINCI S.A. initiated a new savings plan for the employees of certain foreign subsidiaries known as Castor International Plan. The main characteristics of this plan are as follows:

- Subscription period: from 18 May to 3 June 2022;
- Employer contribution consisting of bonus shares, with vesting period of three years;
- The only vesting condition (service condition) is for the employee to stay in the employ of VINCI for three years.
- Employees are entitled to bonus shares based on an allocation table and minimum and maximum ranges when subscribing to shares in VINCI S.A.
- There is no lock-up period beyond the three-year vesting period for bonus shares.

In previous years, similar plans were decided upon.

	2022				2021			
(in € thousands)	Castor 2022	Castor 2021	Castor 2020	Castor 2019	Castor 2021	Castor 2020	Castor 2019	Castor 2018
Number of shares granted subject to performance conditions at beginning of period								
Bonus Shares granted subject to vesting condition	60,733	55,522	53,162	32,952	55,522	60,825	37,346	33,963
Shares vested (1)				32,952		2,566	2,174	33,963
Shares cancelled (2)		4,362	4,318			5,097	2,220	
Number of shares granted subject to performance conditions not vested at end of period	**60,733**	**51,160**	**48,844**	**0**	**55,522**	**53,162**	**32,952**	**0**
Fair value of share at grant date (in €) (3)	91.71	91.72	73.41	88.08	91,72	87,78	90,28	90,28
Closing share price on the last day of the subscription period (in €)	90.14	91.86	87.78	90.28	91,86	87,78	90,28	84,32
Anticipated dividend pay-out rate	2.84%	2.78%	2.60%	2.34%	2,83%	2,78%	2,60%	2,34%
Fair value of bonus shares on the last day of the subscription period (in €)	85.34	81.64	83.60	78.66	85,34	81,64	83,60	78,66
Original maturity (in years) – vesting period	3	3	3	3	3	3	3	3

1 This will only be the case if someone died and it vests immediately or if the three year period has lapsed and the employee receives the shares.
2 This will only be the case if someone is a bad leaver.
3 The fair value of the liability at the end of each period is adjusted for the probability of the employees satisfying the service condition.

The fair value of the group savings plan shares at the grant date is equal to the value of the shares on Euronext's Paris stock exchange. The weighted average remaining contractual life end of period is 1.4 years in 2022 (2021: 1.4 years).

Long Term Incentive Plan

Performance shares have been granted to certain Group employees and senior executives. The corresponding plans provide that the final vesting of these shares is dependent on the realisation of financial criteria.
The number of performance shares measured at fair value in the calculation of the IFRS 2 expense is therefore adjusted for the impact of the change in the likelihood of these financial criteria being met.

The performance conditions are as follows:

(1) an internal criterium (80% weighting) consisting of the ratio at 31 December 2022 of return on capital employed of VINCI S.A. (ROCE) to the average weighted average cost of capital of VINCI S.A. (WACC), with each of those indicators calculated as an average over the previous three years (2020, 2021 and 2022). This ratio must be equal to or greater than 1.1 for all performance shares granted to vest. If the ratio is between 1 and 1.1, the number of performances shares that vest will be reduced in proportion and no shares will vest if the ratio is equal to or less than 1.
(2) an external criterium (20% weighting) consisting of the difference, at December 31, 2022, between:
    a. the average total return on VINCI's shares over a three-year period (2020, 2021 and 2022), and
    b. the average total return for a shareholder investing in the CAC 40 index over a three-year period (2020, 2021 and 2022).

Total shareholder returns include dividends, and the difference must be equal to or greater than +10% for all performance shares granted to vest. If the difference is between +10% and -10%, the number of performance shares that vest will be reduced in proportion and no shares will vest if the difference is equal to or less than -10%.

Information on changes in performance share plans currently in force

	2022	2021
Number of shares granted subject to performance conditions at beginning of period	**83,930**	**74,625**
Shares granted	34,700	30,825
Shares assigned	(19,354)	(19,529)
Shares not assigned due to performance conditions	(4,846)	(1,991)
Number of shares granted subject to performance conditions not vested at end of period	**94,430**	**83,930**
Weighted average remaining contractual life end of period	**1.30**	**1.36**

Information on the features of the performance share plans currently in force

	Plan 12/04/2022	Plan 08/04/2021	Plan 09/04/2020	Plan 17/04/2019
Original number of beneficiaries	42	38	39	27
Number of shares granted subject to performance conditions	34,700	30,825	28,905	24,200
Shares assigned				-19,354
Shares not assigned due to performance conditions				-4,846
Number of shares granted subject to performance conditions at end of period	**34,700**	**30,825**	**28,905**	**-**

Fair value of the granted shares

The fair value of the granted shares under the Long-Term Incentive Plan at grant date, is based on market prices available. The fair value of the granted shares will be based on the Euronext's Paris stock exchange at grant date. Expected dividends or other features are not incorporated into the measurement of the fair value at grant date. The fair values per grant date and vesting periods for the Long-Term Incentive Plan were as follows:

	2022 Plan	2021 Plan	2020 Plan	2019 Plan
Price of share on date plan was announced (grant date) (in €)	86,98	89,85	73.41	88.08
Closing share price on the last day of the subscription period (in €)	88,17	90,70	87.78	90.28
Fair value compared with share price at grant date	6,31	0,89	14.37	2.20
Original maturity (in years) – vesting period	3	3	3	3

33. Commitments and contingencies

Credit facilities:
The Group has a combined credit facility and a bank guarantee facility available amounting to respectively €40,189,640 intra-day limit and €41,265,829 undrawn credit line.

Guarantees:
As per December 31, 2022, the legal entities that are part of the group have granted guarantees in total amounting to €13,054,574
(2021: €14,097,509). These guarantees are both performance and advanced payment guarantees and mainly concern project related customer guarantees. A small part is related to property rent.

A guarantee facility of €12,500,000 has been granted by the ING Bank and is secured by:
- pledging of the receivables; and
- joint account and joint liability agreement.
No use is made of these facilities at year end 2022 (and 2021).

A guarantee facility of €10,000,000 has been issued by Atradius, with no additional securities.

Fiscal unity:
The Company is head of the Dutch fiscal unity for corporate income tax and value added tax. The fiscal unity comprises all companies within the Group. For that reason, it is jointly and severally liable for the tax liabilities of the whole fiscal unity.

34. Related parties

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

(in € thousands)	31 December 2022	31 December 2021
Management fees	5,081	4,418
IT fees	3,992	3,472
Brand fees	1,815	1,578
Total management fees	**10,888**	**9,468**

Total amounts paid concern all fees paid to VINCI Energies Europe West (VEEW) for management fees, to VINCI Systèmes d'Information (VESI) for IT fees and to VINCI Energies Management for brand fees.

Management services are based on a percentage of the turnover. IT Fees are including ERP implementation charges. All transactions were performed at normal commercial terms and conditions and at market rates.

Compensation of key management personnel of the Group*

(in € thousands)	31 December 2022	31 December 2021
Short-term employee benefits	4,818	4,503
Post-employment pension and medical benefits	472	462
Share-based payments	885	1,096
Total	**6,175**	**6,061**

* Considered as key management personnel are board members, operational directors and finance directors

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

35. Events after the reporting period

Divestment of Bostec B.V.
The decision has been made to sell Bostec B.V. to Arlande Beheer B.V. The annual revenue of this company amounts €2.8 million and employing 27 employees. The consultancy activities of Bostec focusses on creating process optimization. These activities are no longer considered as a strategic fit. The size and strategic directions make the company vulnerable and sensitive to the economy. Bostec B.V. will have a better fit with Arlande Beheer B.V.

Dividend payment
The board has decided on February 21, 2023 to distribute €17 million dividend to VINCI Energies S.A.
The payment of dividend has been executed.

9 COMPANY FINANCIAL STATEMENTS FOR THE YEAR 2022

9.1 Company profit and loss account for the year ended 31 December 2022

(in € thousands)	2022	2021
Result subsidiaries	30,291	23,022
Result of the Company	(1,638)	3,467
Net result	**28,653**	**26,489**

9.2 Company balance sheet as at 31 December 2022

(Before appropriation of the result)

(in € thousands)	Note	31 December 2022	31 December 2021
Assets			
Non-current assets			
Intangible assets	36	18,738	18,712
Goodwill	36	111,446	89,395
Property, plant and equipment	37	19,185	15,798
Right-of-use assets	38	435	410
Group companies	39	109,471	88,597
Deferred tax assets		111	100
Total non-current assets		**259,386**	**213,012**
Current assets			
Trade and other receivables		1,435	503
Current tax assets		1,560	667
Other current financial assets		503	333
Cash and cash equivalents			
Total current assets		**3,498**	**1,503**
Total assets		**262,884**	**214,515**

(in € thousands)	Note	31 December 2022	31 December 2021
Group equity			
Share capital	40	113	113
Share premium	40	53,700	53,700
Other reserves	40	37,008	24,019
Result for the year	40	28,653	26,489
Total group equity		**119,474**	**104,321**
Liabilities			
Non-current liabilities			
Provision negative equity subsidiaries	41	6,041	6,627
Employee benefits		103	92
Loans and borrowings	42	53,590	49,500
Lease liabilities	42	233	217
Deferred tax liabilities	43	4,726	3,648
Total non-current liabilities		**64,693**	**60,084**
Current liabilities			
Trade and other payables	44	59,584	38,867
Loans and borrowings	45	12,440	9,000
Lease liabilities	45	195	184
Current deferred tax liabilities	46	779	532
Current tax liabilities	47	384	251
Other liabilities and accrued expenses	48	5,335	1,276
Total current liabilities		**78,717**	**50,110**
Total liabilities		**143,410**	**110,194**
Total equity and liabilities		**262,884**	**214,515**

10 NOTES TO THE COMPANY FINANCIAL STATEMENTS FOR THE YEAR 2022

10.1 General accounting principles for the preparation of the financial statements

Accounting policies
The company financial statements have been prepared in accordance with Title 9, Book 2 of The Netherlands Civil Code. In accordance with sub 8 of article 362, Book 2 of the Dutch Civil Code, the Company's financial statements are prepared based on the accounting principles of recognition, measurement and determination of profit, as applied in the consolidated financial statements. These principles also include the classification and presentation of financial instruments, being equity instruments or financial liabilities.

The investments in group companies and associates are presented as financial fixed assets in the balance sheet using the net asset value method. Net asset value is based on the measurement of assets, provisions and liabilities and determination of profit based on the principles applied in the consolidated financial statements. If the net asset value is negative, the participating interest is valued at nil. This likewise takes into account other long-term interests that should effectively be considered part of the net investment in the participating interest. If the Company fully or partly guarantees the liabilities of the associated Company concerned or has the effective obligation respectively to enable associated Company to pay its (share of the) liabilities, a provision is formed.

Presentation of Company financial statements
The structure of the Company balance sheet and Company profit and loss account are aligned as much as possible with the Consolidated financial statements in order to achieve optimal transparency between the Group financial statements and the Company financial statements.

10.2 Balance sheet items

36. Goodwill and other intangible fixed assets
The movements in the intangible fixed assets are as follows:

Acquisition cost *(in € thousands)*	Other intangible assets	Goodwill	Total
As at 1 January 2021	**28,323**	**166,338**	**194,661**
Additions			
Acquisition subsidiary		2,030	**2,030**
Disposal during period		(1,370)	**(1,370)**
At 31 December 2021	**28,323**	**166,998**	**195,321**
Additions – internal development			
Acquisition of a subsidiary	2,621	22,051	**24,672**
At 31 December 2022	**30,944**	**189,049**	**219,993**

Amortisation and impairment *(in € thousands)*	Other intangible assets	Goodwill	Total
As at 1 January 2021	**(6,077)**	**(77,725)**	**(83,802)**
Amortisation	(3,534)		**(3,534)**
Disposal during period		122	**122**
At 31 December 2021	(9,611)	(77,603)	**(87,214)**
Amortisation	(2,595)		**(2,595)**
At 31 December 2022	**(12,206)**	**(77,603)**	**(89,809)**

Net book value *(in € thousands)*			
As at 1 January 2021	**22,246**	**88,613**	**110,859**
As at 31 December 2021	**18,712**	**89,395**	**108,107**
As at 31 December 2022	**18,738**	**111,446**	**130,184**

37. Property, plant & equipment

The movements in the tangible fixed assets are as follows:

(in € thousands)	Land and buildings	Other operating assets	Total
Gross			
As at 1 January 2021	**15,032**	**247**	**15,279**
Other acquisitions during period	3,173	59	3,232
Disposal during period		(40)	(40)
At 31 December 2021	**18,205**	**266**	**18,471**
Acquisitions as part of business combinations	3,679		3,679
Other acquisitions during period	515		**515**
At 31 December 2022	**22,399**	**266**	**22,665**

Depreciation and impairment losses *(in € thousands)*			
As at 1 January 2021	**(2,053)**	**(103)**	**(2,156)**
Depreciation during period	(496)	(61)	(557)
Disposal during period		40	**40**
At 31 December 2021	**(2,549)**	**(124)**	**(2,673)**
Depreciation during period	(756)	(51)	(807)
Impairment losses			**0**
At 31 December 2022	**(3,305)**	**(175)**	**(3,480)**

Net book value *(in € thousands)*			
As at 1 January 2021	**12,979**	**144**	**13,123**
As at 1 December 2021	**15,656**	**142**	**15,798**
As at 31 December 2022	**19,094**	**91**	**19,185**

38. Right-of-use assets

(in € thousands)	2022	2021
Right-of-use for vehicles	957	834
Amortization on right of use for vehicles	(522)	(424)
Total Right-of-use assets	**435**	**410**

39. Group companies

(in € thousands)	31 December 2022	31 December 2021
Investments in subsidiaries and affiliates	109,471	89,597
Total	**109,471**	**89,597**

(in € thousands)	Subsidiaries
As at 1 January 2021	**83,394**
Acquisitions during period	1,792
Sale subsidiaries	(2,179)
Result subsidiaries	23,022
Provision negative equity subsidiaries	3,179
Dividend	(20,147)
Other	(464)
At 31 December 2021	**88,597**
Acquisitions during period	13,306
Result subsidiaries	30,291
Provision negative equity subsidiaries	(203)
Dividend	(22,800)
Other	280
At 31 December 2022	**109,471**

40. Shareholders' equity

The movement in shareholders' equity is as follows:

(in € thousands)	Share capital	Share premium	Other reserves	Result for the year	Total equity
Balance as at 1 January 2022	**113**	**53,700**	**24,019**	**26,489**	**104,321**
Appropriation of the result of preceding year			26,489	(26,489)	**0**
Net income for the period				28,653	**28,653**
Increase in share capital					**0**
Merge financial assets					**0**
Dividends			(13,500)		**(13,500)**
Balance as at 31 December 2022	**113**	**53,700**	**37,008**	**28,653**	**119,474**

The Authorized share capital of the Company amounts to €500,000, divided into 500,000 ordinary shares with a value of €1 per share. The total number of issued shares as per December 31, 2022 is 113,446. All issued shares are paid in full. There are no additional rights, preferences or restrictions attached to the different classes of capital.

Other reserves:

The other reserve partly consists of the share-based payments reserve, which is used to recognize the non-distributable part of the other reserves. Recognized in this amount is the grant date fair value of deferred shares granted to employees but not yet vested.

(in € thousands)	LTI	Castor	Distributable reserves	Total
Gross				
As at 1 January 2021	**3,450**	**4,767**	**10,762**	**18,979**
Addition	2,371	3,117	3,921	**9,409**
Release	(1,789)	(2,665)		**(4,454)**
As at 31 December 2021	**4,032**	**5,219**	**14,683**	**23,934**
Addition	1,825	3,425	12,333	**17,583**
Release	(1,820)	(2,689)		**(4,509)**
As at 31 December 2022	**4,037**	**5,955**	**27,016**	**37,008**

Exchange rate differences:

Exchange differences arising on translation of the foreign controlled entity are recognized in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

Appropriation of result for the financial year 2022:
The Management Board proposes, with the approval of the Supervisory Board, that the result for the financial year 2022 amounting to €28,653 will be added to the other reserves.

41. Provision negative equity subsidiaries

The movement in provisions for negative equity subsidiaries is as follows:

(in € thousands)	2022	2021
Book value as of January 1	6,627	3,447
Addition		3,180
Release	(586)	
Book value as of December 31	**6,041**	**6,627**
Non-current part	*6,041*	*6,627*

42. Loans and borrowings & Lease liabilities long-term

(in € thousands)	31 December 2022	31 December 2021
Long-term group loans (note 28)	53,590	49,500
Long term debt > 1 year	233	217
Total	**53,823**	**49,717**

43. Deferred tax liabilities

(in € thousands)	31 December 2022	31 December 2021
Client relations	4,086	3,417
Trade name	15	
Others	625	231
Total	**4,726**	**3,648**

44. Trade and other payables

(in € thousands)	31 December 2022	31 December 2021
Trade payables	960	1,727
Interest on long term loans and borrowings	481	155
Cash management current accounts	58,143	36,985
Total	**59,584**	**38,867**

45. Loans and borrowings & Lease liabilities short-term

(in € thousands)	31 December 2022	31 December 2021
Short-term debt <1 year	12,440	9,000
Lease liabilities <1 year	195	184
Total	**12,635**	**9,184**

46. Current deferred tax liabilities

(in € thousands)	31 December 2022	31 December 2021
Client relations	689	517
Orderbook	44	0
Other	46	15
Total	**779**	**532**

47. Current tax liabilities

(in € thousands)	31 December 2022	31 December 2021
Corporate income tax		
Labour tax and social charges	384	251
Total	**384**	**251**

48. Other liabilities and accrued expenses

All current liabilities fall due in less than one year. The fair value of the current liabilities approximates the book value.

Contingent assets and liabilities

Credit facilities:

The Company has a combined credit facility and a bank guarantee facility available amounting to respectively €3,000,000 and $2,000,000 intra-day limit and €15,000,000 credit line. The facility has been granted by the ING Bank and is secured by:

- pledging of property, plant & equipment, inventories and receivables; and
- joint account and joint liability agreement.

No use is made of these facilities at year end 2022 (and 2021).

Guarantees:

As of December 31, 2022, the legal entities that are part of the group have granted guarantees in total amounting to €13,054,574
(2021: €14,097,509). These guarantees are both performance and advanced payment guarantees and mainly concern project related customer guarantees. A small part is related to property rent.

A guarantee facility of €12,500,000 has been granted by the ING Bank and is secured by:

- pledging of the receivables; and
- joint account and joint liability agreement.

No use is made of these facilities at year end 2022 (and 2021).

A guarantee facility of €10,000,000 has been issued by Atradius, with no additional securities.

Fiscal unity:

The Company is head of the Dutch fiscal unity for corporate income tax and value added tax. The fiscal unity comprises all companies within the Group. For that reason, it is jointly and severally liable for the tax liabilities of the whole fiscal unity.

Article 2:403:

The Company has guaranteed the liabilities of all consolidated group companies as meant in article 2:403 of The Netherlands Civil Code. The Company is therefore jointly and severally liable for the liabilities arising from the legal acts of these group companies.

49. Audit costs

(in € thousands) **2022**	Audit	Other	Total 2021
Audit of the financial statements	484		484
Tax Services (EY, KPMG & Joanknecht)		137	137
Total	**484**	**137**	**621**

(in € thousands) **2021**	Audit	Other	Total 2020
Audit of the financial statements	451		451
Tax Services (EY, KPMG & Joanknecht)		141	141
Total	**451**	**141**	**592**

The fees listed above relate to the procedures applied to the Company and its consolidated group entities by accounting firms and external auditors as referred to in Section 1, subsection 1 of the Audit Firms Supervision Act ('Wet toezicht accountantsorganisaties – Wta') as well as by Dutch and foreign-based accounting firms, including their tax services and advisory group.

50. Compensation of Supervisory board and board of directors

(in € thousands)	**2022**	**2021**
Short-term employee benefits	1,449	1,347
Post-employment pension and medical benefits	130	123
Share-based payments	344	421
Total	**1,923**	**1,891**

No remuneration is paid to the Supervisory board members.

During 2022, 39,9 employees were employed on a full-time basis (2021: 34,7) within the Company. Of these employees, 4 were employed outside the Netherlands (2021: 2).

51. Events after the reporting period

Divestment of Bostec B.V.
The decision has been made to sell Bostec B.V. to Arlande Beheer B.V. The annual revenue of this company amounts €2.8 million and employing 27 employees. The consultancy activities of Bostec focusses on creating process optimization. These activities are no longer considered as a strategic fit. The size and strategic directions make the company vulnerable and sensitive to the economy. Bostec B.V. will have a better fit with Arlande Beheer B.V.

Dividend payment
The board has decided to pay €17 million dividend to VINCI Energies S.A. The payment of dividend has been executed on May 18, 2023.

11 OTHER INFORMATION

Independent auditor's report
Reference is made to the independent auditor's report as included hereinafter.

Statutory rules concerning appropriation of result
In Article 38 of the company statutory regulations the following has been presented concerning the appropriation of result:
The result of the financial year is at disposal of the General Meeting.

Signing of the financial statements

Veghel, May 16, 2023

Chief Financial Officer:	Corporate Development Director and General Counsel:	Managing Director:	Managing Director:
M.E.C. Roijen	**E.M.A.M. de Haas**	**J.P.M. van Uden**	**T. Greeve**

Supervisory Board:

J.A. Boers	**V.C. Sirieix**

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